



2019 UNIVERSAL REGISTRATION DOCUMENT MÉTROPOLE TÉLÉVISION

INCLUDING THE ANNUAL FINANCIAL REPORT



LET'S CONTINUE TO GROW UP TOGETHER

MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD 5

1 M6 GROUP PRESENTATION 6

1.1	Key figures	RFA	7
1.2	Group structure		12
1.3	Financial year highlights		13
1.4	Group markets and operations	RFA	16
1.5	Outlook and strategic direction		51
1.6	Legal and regulatory environment		53
1.7	Risk factors	RFA	62
1.8	Internal control procedures and risk management		69

2 CORPORATE GOVERNANCE 74

2.1	Supervisory Board		75
2.2	Executive Board		97
2.3	Corporate Officers' remuneration and benefits		102
2.4	Additional information		131
2.5	Report of the Supervisory Board to the Combined General Meeting of 28 April 2020		135

3 COMPANY AND SHARE CAPITAL INFORMATION 136

3.1	Company Bylaws	RFA	137
3.2	Share listing		147
3.3	Dividend policy		149
3.4	Information policy and documents available to the general public		150
3.5	Main shareholders at 31 December 2019	RFA	150
3.6	Buyback by the Company of its own shares and treasury shares	RFA	152
3.7	Employee shareholding		155
3.8	Securities transactions		157
3.9	General information on the share capital		157

4 2019 FINANCIAL REPORT RFA 161

4.1	2019 results		162
4.2	Balance sheet and cash flow statement		165
4.3	Financial position of the parent company and agreements with its subsidiaries		167

5 2019 FINANCIAL STATEMENTS AND RELATED NOTES RFA 172

5.1	Consolidated financial statements at 31/12/2019		173
5.2	Notes to the consolidated financial statements		180
5.3	Statutory Auditors' report on the consolidated financial statements		230
5.4	Parent company financial statements at 31/12/2019		234
5.5	Notes to the parent company financial statements		236
5.6	Statutory Auditors' report on the parent company financial statements		253
5.7	Summary of financial results for the last 5 years		257
5.8	Parent company cash flow statement		258
5.9	Statutory Auditors' special report on regulated agreements and commitments		259

6 CORPORATE SOCIAL RESPONSIBILITY RFA 261

6.1	Social responsibility		266
6.2	Corporate responsibility		279
6.3	Environmental responsibility		295
6.4	Methodology note regarding non-financial reporting		302
6.5	CSR cross-reference table		305
6.6	Report by the independent third-party body on the consolidated statement of non-financial performance		307

7 COMBINED GENERAL MEETING OF 28 APRIL 2020 309

7.1	Proceedings and agenda		310
7.2	Report of the Executive Board and resolutions submitted to the Annual General Meeting		311
7.3	Statutory Auditors' report on the share capital reduction provided for by the 26th resolution		321

8 ADDITIONAL INFORMATION 322

8.1	Changes in accounting principles		323
8.2	Other information in respect of the parent company financial statements		323
8.3	Information included by reference	RFA	323
8.4	Provisional calendar		323
8.5	Person responsible for the Universal Registration Document		324
8.6	Persons responsible for financial information		324
8.7	Statutory Auditors	RFA	325
8.8	Reconciliation tables		326
8.9	Glossary		329



UNIVERSAL REGISTRATION DOCUMENT 2019 MÉTROPOLE TÉLÉVISION

Including the Annual Financial Report

PROFILE

Established in 1987 around the M6 channel, M6 Group is a powerful multimedia group which focuses on three areas: television (13 channels including M6, the 2nd largest commercial channel in the French market), radio (3 stations including RTL, the leading radio station in France) and digital (more than 30 online media services including mobile applications and IPTV services).

Leveraging its brands and content, M6 Group has gradually expanded its operations through targeted diversification activities (content production and acquisition, cinema, e-commerce, music, shows, etc.) and innovative offerings such as 6play, its digital platform.

Mindful of developing synergies between its brands, and of responding to the expectations of its various audiences while always keeping an eye on the future, it has emerged as a content publisher firmly anchored in the new technology era.



The French version of this Universal Registration Document was filed with the French Financial Market Authority (AMF) on 6 March 2019, in accordance with Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

The information included on the websites referred to using the hypertext links on pages 80, 157 and 343 of this Universal Registration Document, with the exception of the information incorporated by reference, does not form part of this Universal Registration Document. As such, this information has been neither reviewed nor approved by the AMF.

A man with short, light-colored hair is standing on a stage. He is wearing a light blue button-down shirt with the sleeves rolled up, a brown leather belt, and grey trousers. He has a watch on his left wrist. Behind him is a large screen displaying a stylized logo consisting of a red and blue circular shape with a white arrow-like element, set against a blue background with radiating lines. Below the logo, the word "GROUPE" is written in large, white, sans-serif capital letters on a dark blue horizontal bar.

GROUPE

MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

Once again in 2019, M6 Group set new records both in terms of audience figures and financial results. Our top brands, our technological expertise, the men and women who are the lifeblood of M6 Group combine to give us confidence as we enter a new decade.

CONSOLIDATION OF OUR CORE BUSINESS

The financial results for 2019 demonstrate the relevance of our strategy and the strength of our multimedia business model. Our advertising revenue and profit from recurring operations reached the highest levels in the Group's history while the operating margin was at a 19-year high. These healthy results will provide the resources to take advantage of future opportunities and the flexibility to adapt to changes within our industry.

A highlight of the year just ended was the acquisition of the Gulli channel, which gave the Group an additional dimension, with a line-up that now covers the entire family. In addition to being the most popular children's channel and the leader in its segment, this brand, which transcends both television and our borders, promotes values that we hold dear, such as kindness, humour and closeness to young viewers.

As a result of the integration of Gulli, Canal J, Tiji, etc., M6 Group's TV line-up has never been more powerful. In 2019, M6 Group's four free-to-air channels achieved a 14.5% audience share, rising to 22.8% amongst women under 50 responsible for purchasing, representing the best historic levels for the Group. For its part, RTL once again confirmed its status as the leading radio station in France with an audience share of 12.3% across the year as a whole, while M6 Group's radio division (RTL, RTL2 and Fun Radio) remained the leading privately owned radio group in France with an audience share of 18.5% for 2019 as a whole. 2019 was also an exceptional year for our cinema business, where titles produced or distributed by the Group recorded 16 million cinema admissions.

The numerous programming successes, which were confirmed and reinforced on 6play, which now has 27 million users and an increasingly large exclusive catalogue, demonstrate that the stronger the content, the longer its lifespan. That is also why we have launched a range of original podcasts which, thanks to the strength of our radio and TV brands, have enjoyed instant success.

The diversity of our programmes – ranging from entertainment to news – and the work we put into continually updating our offering have once again this year enabled us to provide high quality audio and video content, which has found its audience. While maintaining the identity and independence of the channels, we have successfully implemented powerful synergies between our different television, radio and digital brands. We will continue to develop synergies that reflect and bolster our strength as a multimedia group.

A SECTOR UNDERGOING HUGE CHANGE

2020 stands before us and opens the door to a new decade of opportunities, growth and undertakings driven by ever greater demand for video and audio content.

The alliance with two other players in the French market via the platform SALTO, which will be launched this year, will help us to better control the distribution of our programmes and penetrate the SVOD market with a unique offering that will highlight French creativity. SALTO also acknowledges almost 15 years of efforts and investments made by M6 Group in video streaming and the launch in 2008 of the first catch-up service in France.

Today, and as a backdrop, the ever greater convergence between linear and non-linear in relation to all content offers a fantastic opportunity for us to forge closer ties with our audience in order to offer them personalised content at all times.

In 2020, legislation designed to reform the audiovisual sector will be debated in the French Parliament. Despite initiatives that remain half-hearted on the part of the public authorities, we hope that lawmakers will take a pragmatic approach and manage to show common sense in order to rebalance the competitive environment between international and French operators.

Nevertheless, and as we have been doing for over 30 years, it is above all on our own strengths, in-house talents and expertise that we must count in order to grow, by further increasing the power of our media, expanding our digital presence, continuing to develop internal production with SND and Golden Network, repeating the successes of our diversification operations, etc.

There are many challenges to address, for which I firmly believe the Group is well-equipped. Our industry and landscape are changing, but they both offer growth opportunities for all M6 Group's media and activities!

Nicolas de TAVERNOST

1

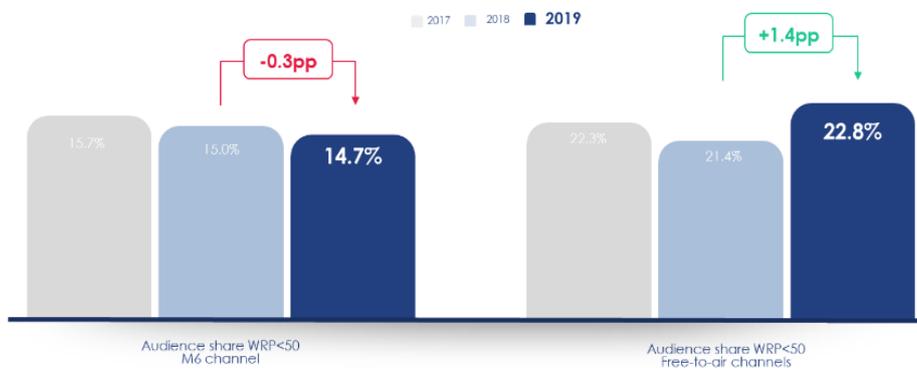
M6 GROUP PRESENTATION



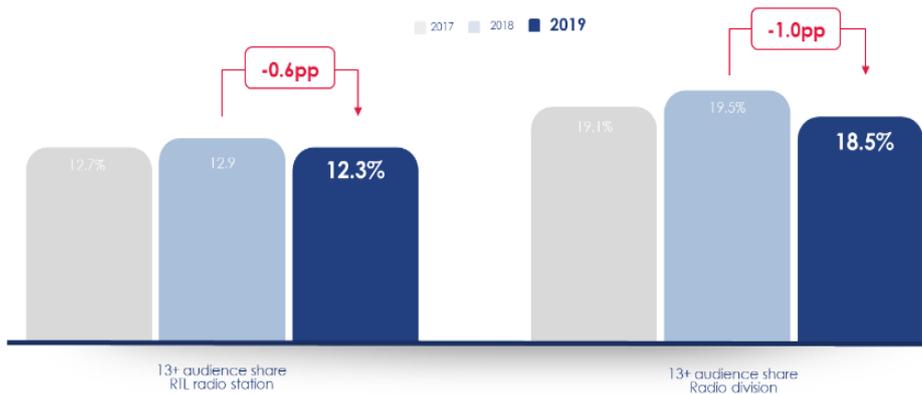
1.1 KEY FIGURES

1.1.1 Operating indicators

AUDIENCE SHARE WRP<50 M6 CHANNEL & FREE-TO-AIR CHANNELS

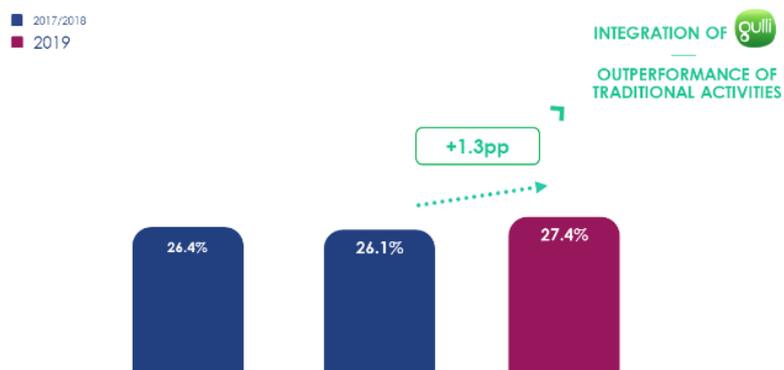


13+ AUDIENCE SHARE RTL & RADIO DIVISION



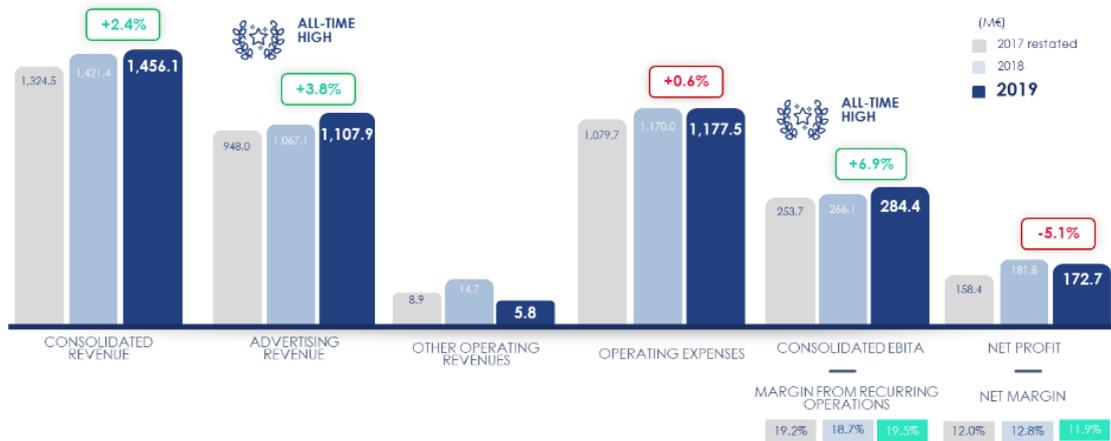
M6 GROUP'S SALES HOUSE STRENGTHENED ITS POSITION IN THE TV MARKET

CHANGE IN NET TV ADVERTISING MARKET SHARE OF M6 GROUP'S CHANNELS AND ASSOCIATED SERVICES SINCE 2017 (%)

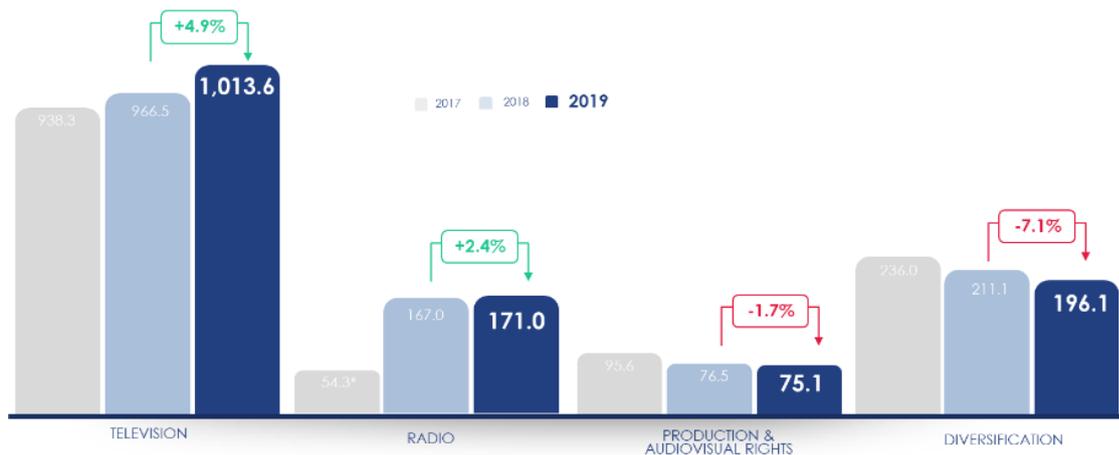


1.1.2 Financial indicators

RECORD RESULTS



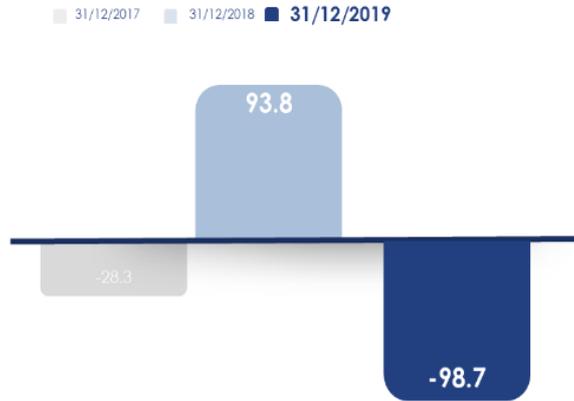
REVENUE GROWTH BY SEGMENT



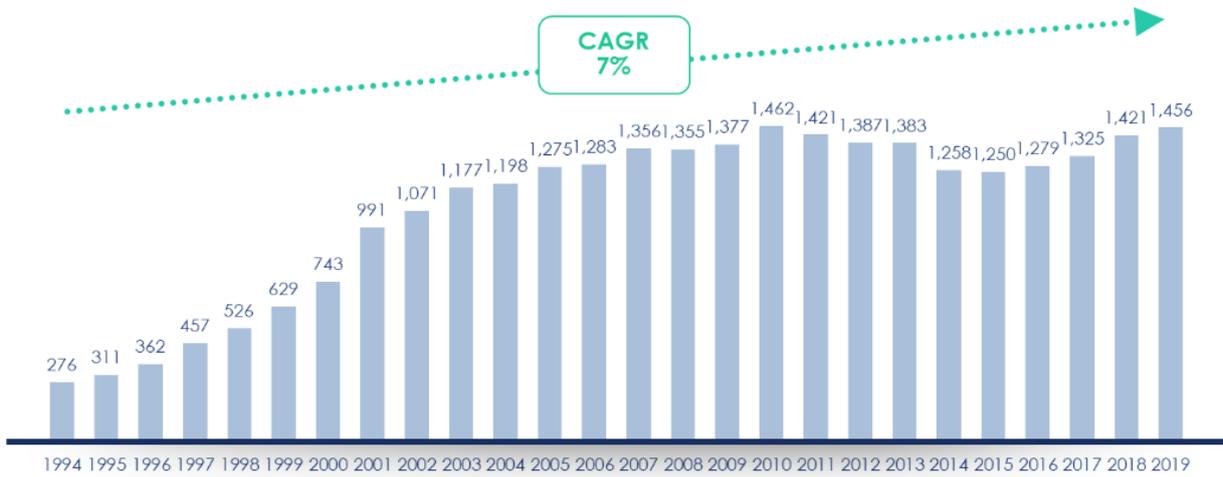
EBITA GROWTH BY SEGMENT



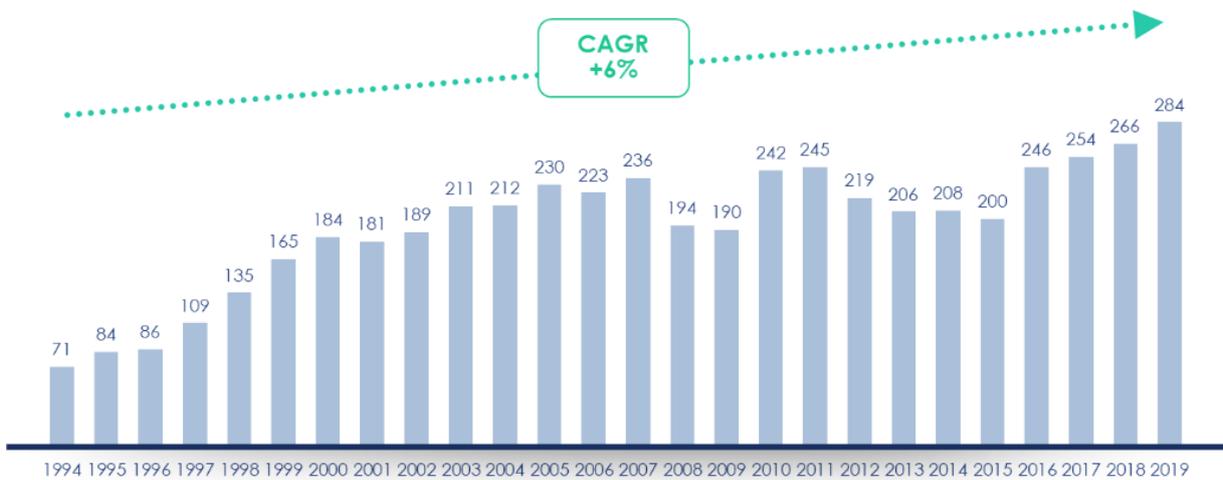
NET CASH POSITION



REVENUE GROWTH SINCE 1994 (IPO)

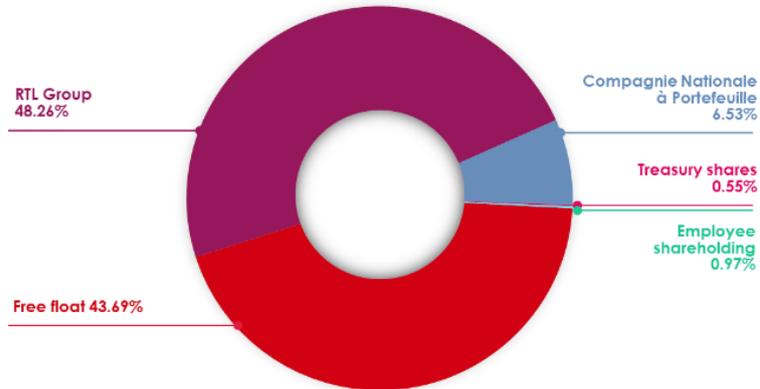


EBITA GROWTH SINCE 1994 (IPO)

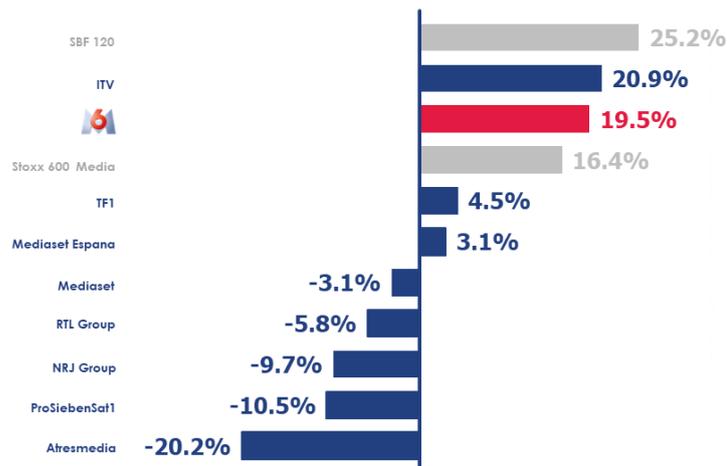


1.1.3 Stock market indicators

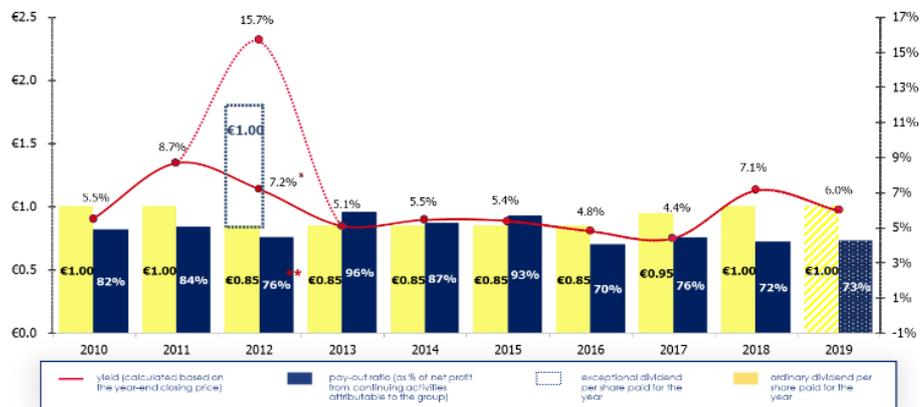
SHAREHOLDING STRUCTURE AT 31/12/2019



2019 STOCK MARKET PERFORMANCE



PROPOSED DIVIDEND OF €1.00 PER SHARE

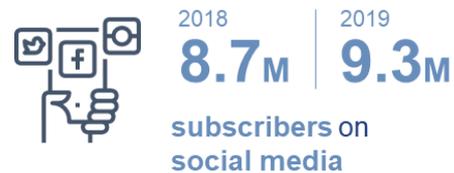
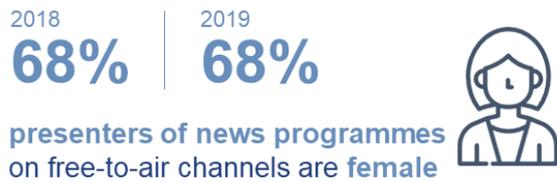


* Pay-out ratio excluding exceptional dividend

**79% excl. Summit

1.1.4 Non-financial indicators

SOCIAL RESPONSIBILITY



CORPORATE RESPONSIBILITY



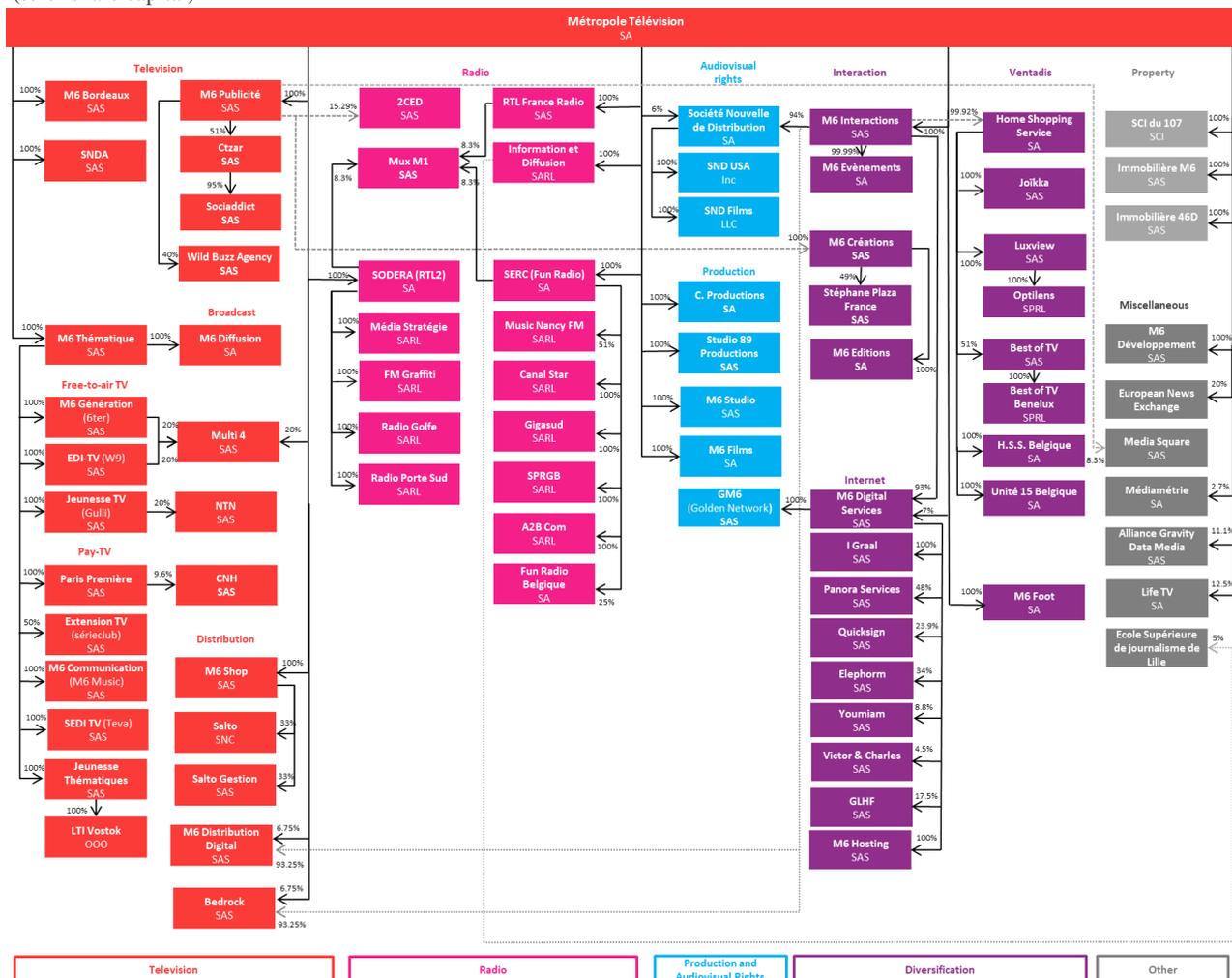
ENVIRONMENTAL RESPONSIBILITY



1.2 GROUP STRUCTURE

1.2.1 Group structure at 31 December 2019

(% of share capital)



The proportion of voting rights is equal to the stated percentage of the share capital held for each company in the above organisation chart.

1.2.2 Changes in Group structure

In 2019, the following changes were made to the Group structure:

- On 1 January 2019, the commitment to purchase shares held by the minority shareholders of iGraal was fulfilled, with the Group thus acquiring the remaining 49% of the latter.
- On 21 March 2019, M6 reduced its shareholding in Ivory Coast channel Life TV from 33% to 12.5%.
- On 23 May 2019, M6 Publicité acquired a 40% stake in the share capital of Wild Buzz Agency, a company specialised in the organisation of events, pop-up venues and conferences, thereby strengthening the range offered by the sales house to its advertisers.
- On 21 June 2019, RTL France Radio, SERC and SODERA acquired stakes in the operating company of Multiplex M1, as part of the future broadcast of the stations RTL, RTL2 and Fun Radio on DAB+ (Digital Audio Broadcasting).
- On 24 July 2019, M6 sold its stake in 6&7.

- On 12 August 2019, following approval by the competition authority for the planned shared platform with the TF1 and France Télévisions groups, M6 acquired a 33% stake in Salto and Salto Gestion.

- On 2 September 2019, M6 Group finalised the acquisition of the entire capital of the companies that make up Lagardère Group’s Television division (excluding Mezzo). This acquisition transaction consolidates its overall positioning on the French media market.

- On 30 December 2019, M6 Group acquired the 4.4% in Luxview it did not yet hold.

Furthermore:

- On 11 February 2019, the company Askanna, in which the Group held a 7.8% stake, was wound up;

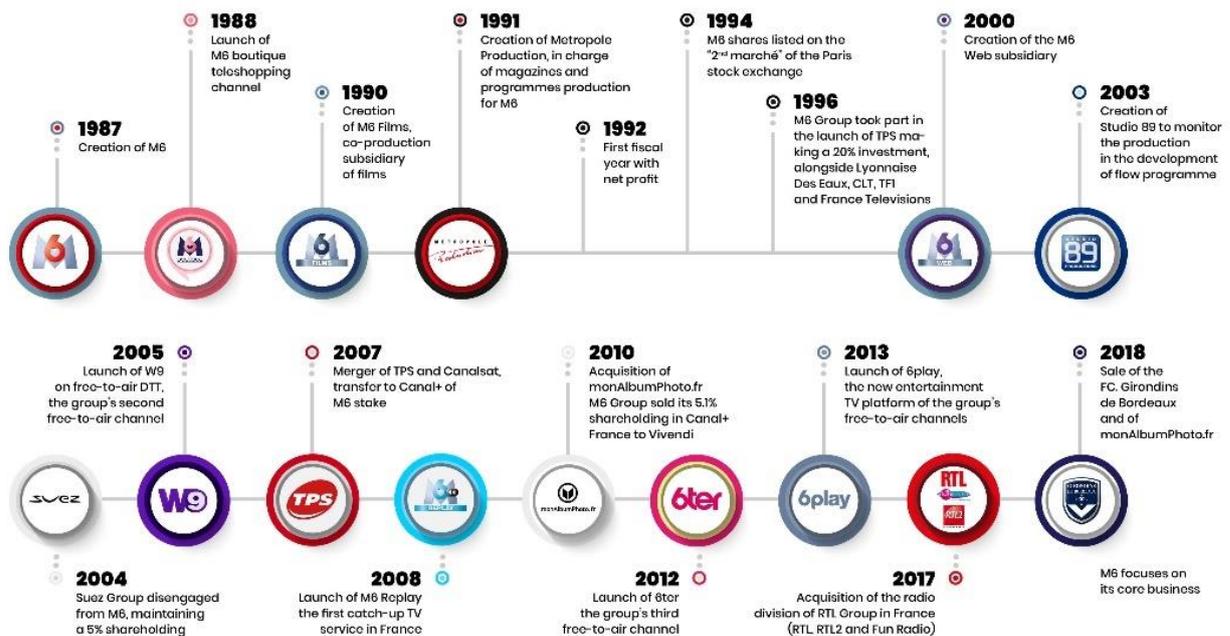
- On 4 April 2019, the company R8 was wound up;

- On 19 June 2019, the companies SNC, Les Films de la Suane, SNC Audiovisuel FF and SNC Catalogue MC were merged into SND;

- On 28 October 2019, T-Commerce became M6 Distribution Digital, and M6 Distribution became Bedrock.

1.3 HIGHLIGHTS OF THE YEAR

1.3.1 History of key dates



1.3.2 2019 financial year highlights

January

31: M6 Group entered into exclusive negotiations for the acquisition of Lagardère Group's Television Channels Division (excluding Mezzo), the French leader in live and on-demand children's TV.

February

22: *Asterix - The Secret of the Magic Potion*, produced by M6 Group, was nominated for Best Animated Film at the César Awards.

March

13: M6 Group signed the "Promoting Women in the Media" Charter at the Ministry of Culture, aimed at combatting harassment and sexist behaviour in the media.

May

27: Launch of M6 Group's first original podcasts under the brand "RTL Originals".

June

12: Stéphane Plaza was voted "France's Favourite Presenter", according to an OpinionWay survey for TV Magazine.

August

12: The competition authority approved Salto, the proposed SVOD platform of the France Télévisions, M6 and TF1 Groups, with the joint venture created immediately afterwards.

September

2: M6 Group finalised the acquisition of the entire capital of the companies that make up Lagardère Group's Television division (excluding Mezzo).

16: During Salto's first Supervisory Board meeting, the operational management of the company was entrusted to Thomas Follin, until that point a member of the Executive Committee of M6 Group responsible for the distribution activities and digital innovation of the Channels.

November

27: The M6 and TF1 groups announced the acquisition of the broadcasting rights to the 2020 UEFA European Football Championships. They will exclusively share the free-to-air broadcasting of the top 23 matches in the competition.

December

16: M6 Group entered into exclusive talks with Germany's Global Savings Group, a major global player in digital marketing, with a view to a combination with the Group's iGraal subsidiary, leader in the French cashback market.

18: M6 Group announced the acquisition of the broadcasting rights to the *Europa League* and the *Europa Conference League* for the 2021/2022, 2022/2023 and 2023/2024 seasons.

1.3.3 Main legal and regulatory developments in 2019

By virtue of its corporate purpose and status as an operator of free-to-air television and radio broadcasting licences, the Company is governed by a specific legal and regulatory regime which applies in addition to ordinary provisions, as specified in section 1.6 of this document. The main legal and regulatory developments introduced in 2019 are set out below.

AGREEMENT ON MEDIA CHRONOLOGY

On 21 December 2018, M6 Group, along with the leading pay and free-to-air television groups, cinema organisations (operators, distributors and producers) and video on demand publishers, signed a new agreement on media chronology. On 25 January 2019, the Ministry of Culture adopted an extension order that made this agreement mandatory for the entire industry for a period of three years.

Media chronology



Other legal and regulatory developments

Several laws, decrees and other pieces of legislation enacted over the course of 2019 are likely to alter the legal and regulatory framework in which the Group carries out its activities:

- The Finance Law for 2020 (n° 2019-1479) promulgated on 29 December 2019 reforms the taxes allocated to the CNC. The text provides for the introduction of a single rate of 5.15% for taxes covering both television broadcasters and video broadcasters.
- The CNIL (National Data Protection Authority) ruling, dated 4 July 2019 relating to the adoption of guiding principles. This ruling amends the rules governing the use of cookies and other tracking devices used for online advertising targeting purposes. M6 Group was also involved in several public consultations organised by the French Ministry of Culture and Communication:
- The two public consultations on the relaxation of the rules relating to the broadcast of cinematic works on television services,
- The public consultation on the relaxation of rules relating to television advertising,
- The public consultation on the televised transmission of events of major importance.
M6 Group is also closely monitoring several potential regulatory or legislative changes that could modify the regulatory framework in which the Group operates, in particular at European level:
- The planned reform of the “CabSat 2” Directive was adopted by the European Parliament and the EU Council on April 17, 2019. The new text provides in particular that the country of origin principle be applied to copyright for news programmes and for programmes entirely financed and controlled by broadcasters.
- The directive on copyright in the digital single market was also adopted on 17 April 2019. The text strengthens the obligations of online platforms in relation to respecting copyright and introduces several obligations relating to the remuneration of authors and performers.

DEVELOPMENT OF DIGITAL TERRESTRIAL TELEVISION

By a decision dated 25 July 2018, the Conseil Supérieur de l’Audiovisuel launched a call for applications for the production of digital terrestrial multiplexed radio services.

The aim of such broadcasting in DAB+ is to complement broadcasting in FM mainly on roads and motorways to allow uninterrupted listening for audiences on the move.

Within this framework, M6 Group’s radio stations submitted applications for RTL, Fun Radio and RTL2 in order to have coverage to broadcast their programmes across all mainland France. On 6 March 2019, the Conseil decided to select 24 services, including RTL, Fun Radio and RTL2. The three stations appointed the company M1 as operator of their multiplex. The latter was authorised by the Conseil to use a radio resource for the multiplexing of radio programmes via digital terrestrial transmission, in a decision dated 18 December 2019.

DRAFT LEGISLATION RELATING TO AUDIOVISUAL COMMUNICATION AND CULTURAL SOVEREIGNTY IN THE DIGITAL ERA

The Group is actively involved in the work of the Ministry of Culture and Parliament regarding the draft legislation relating to audiovisual communication and cultural sovereignty in the digital era. The draft bill, which was presented to the Council of Ministers on 5 December, is intended to transpose the AVMS directive as revised in 2018 and significantly amend the law of 30 September 1986. The text should be debated in Parliament in 2020.

1.4 GROUP MARKETS AND OPERATIONS

Developed in 1987 around the M6 channel, over the years Métropole Télévision Group has become a powerful multimedia group, offering a wide range of programmes, products and services available on a wide variety of media: television, radio, internet, etc.

The programming of M6, the second largest commercial channel in the market, is complemented by the other free-to-air channels, W9, 6ter and Gulli. The family of pay TV channels (Paris Première, Téva, sérieclub, Canal J, Tiji, M6 Music, MCM, MCM Top, RFM TV and M6 Boutique La Chaîne) enhances the Group’s range of programming, with extensive presence across all broadcast platforms. All these channels are or will be available (Youth channels) on the 6play entertainment platform.

Since 2017, M6 Group has also owned three radio stations, RTL, RTL2 and Fun Radio, and now boasts an even larger multimedia offering.

Moreover, the Group decided very early on to position itself on the production and audiovisual rights distribution markets, notably in order to provide the TV channels with high quality content.

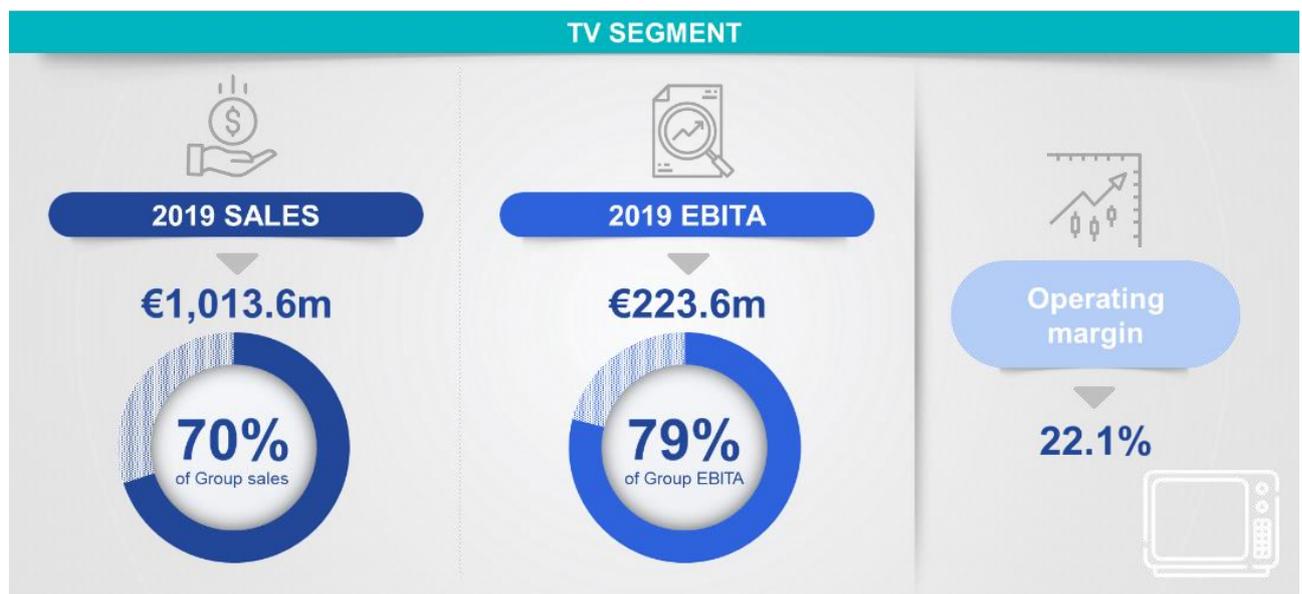
Lastly, building on its brands, content, and air and advertising time available across all its media, M6 Group has gradually expanded its activities by means of diversification.

Conscious of developing synergies in its programmes, and of responding to and anticipating the expectations of its various audiences as well as their new viewing patterns, M6 Group has emerged as a content publisher firmly anchored in the new technology era.



1.4.1 Television

BUSINESS PRESENTATION



M6 Group's main business is television edition and broadcasting, operated via a portfolio of channels that includes:

- Free-to-air channels (M6, W9, 6ter and Gulli), accessible without subscription via a digital signal, mainly funded by the advertising investments of advertisers who seek to optimise the efficiency and cost of their media campaigns. These channels are also, to a lesser extent, financed by revenue paid by distribution platform operators (primarily cable, satellite and IPTV operators), in accordance with the terms and conditions of commercial agreements between editors and distributors;
- Pay-TV channels (Paris Première, Téva, sérieclub, Canal J, Tiji, M6 Music, MCM, MCM Top and RFM TV) which rely on mixed financing, derived from both advertising revenues and distribution revenues from telecoms operators. The Paris Première channel also has a pay DTT licence.
- TV entertainment platforms, including 6play, which offer the entire video output of the Group's channels via catch-up television services, as well as specific online channels, and financed by both advertising and by distribution revenues. In addition, M6 Publicité – M6 channel's historical sales house, whose development it has supported – is currently responsible for marketing television, radio and internet advertising space.

Métropole Télévision, parent company of M6 Group, broadcasts the M6 channel. It decides its programming strategy, its acquisition and production policies, and its schedule structure. It also collects the revenues from the advertising and promotion broadcast on the channel. Moreover, Métropole Télévision defines the policy directions pursued by the various Group entities and manages the cross-company administrative and support functions.

The entire Group's strategic financial assets are predominantly held by the parent company.

MARKET TRENDS IN THE TV BUSINESS AND GROUP POSITIONING

STRUCTURAL CHANGES IN THE TV MARKET

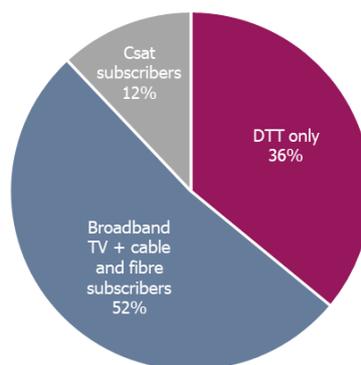
CONSTANTLY IMPROVING HOUSEHOLD EQUIPMENT

Today, practically all French households have a television. With an ownership rate of 93%, it remains the most popular screen type within households. Furthermore, the vast majority of households are equipped with a 16/9, HD flat screen. This trend has been fuelled in particular by the development of the range of HD programming and the drop in the price of televisions.

Consumers are also making increasing use of alternative screens, most often computers (86% of households), but also smartphones (75%, up 3pp year-on-year) and tablets, present in 48% of households. French people are also equipped with increasing numbers of screens, with an average of 5.6 per household. This trend reveals the growing diversity of media types offering access to audiovisual content.

78% of households own a connected television, which can be linked directly (a "Smart TV", as is the case for 35% of households with a television), or via a decoder in their provider's box (80%), games console (36%) or a third-party device (21%). It should be noted that the leading use of boxes (other than watching television over-the-air) is catch-up TV (89% of households with boxes use it), far ahead of S-VOD (62%).

CHANGING RECEPTION METHODS



Source Médiamétrie, Home Devices Study, 2019

Since 2011, all households equipped with a TV set have had access to digital television. Since 2017, terrestrial, either analogue or digital, is no longer the main mode of television reception, having been supplanted by IPTV and fibre optic.

The rate of terrestrial reception has now been overtaken by that of wired distribution (IPTV, cable and fibre optic): the proportion of households receiving television exclusively via terrestrial means continued to fall (36% of households during the

second quarter of 2019 compared with 37% one year earlier), while the proportion of those receiving television exclusively via the Internet continued to grow (52% of households compared with 50% in the second quarter of 2018).

The CSA estimates that more than 30% of households have two modes of television reception. Combined terrestrial and IPTV/fibre remains the most common mode of reception.

INDIVIDUAL TELEVISION SCREEN VIEWING TIME (4+ YEAR OLDS)

The advent of new media and the rapid development of the internet, supported by the rollout of the telecom operators’ high-speed IPTV, very high speed through optic fibre and triple (Internet, television, landline) and quadruple play (with added mobile) packages had an influence on TV viewing patterns. These developments improve viewers’ experience, who benefit from better picture quality (HD) and can now have access to on demand formats (catch-up TV platforms) or as mobile TV (3G/4G reception).

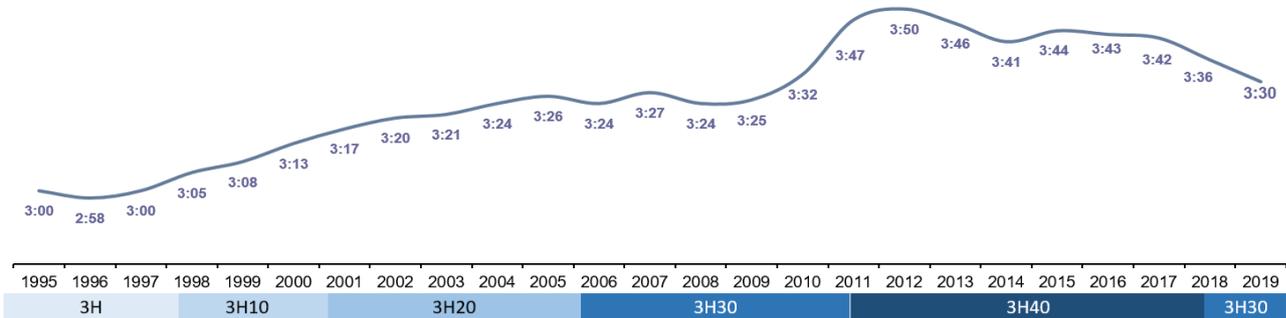
Since 2014, Individual Viewing Time has included the viewing of catch-up TV on television screens, the usage of which is growing rapidly.

The TV Medium is at the heart of a fierce battle for the attention of consumers. The strong growth in SVOD platforms (Netflix, Amazon Prime, etc.) and the huge development of video on social media (Facebook Watch, Snapchat, Tiktok, etc.) is challenging traditional television, especially in relation to young people.

Despite these fundamental shifts, television continues to pull in viewers and is the only medium capable of generating instant power, including with younger people:

- In 2019 daily viewing time fell 6 minutes to 3 hours 30 minutes, “which was notably due to a lighter news schedule and a particularly mild winter” but grew 5 minutes over 10 years.
- In the evenings, 23 million French viewers watch the channel’s programmes either live or pre-recorded while at the same time just 2 million watch programmes on SVOD platforms.
- During the daytime as a whole, 41 million French viewers tune in each day, which is 12 times the number across all SVOD platforms combined. In terms of the younger viewers, each day 7.0 million people aged between 15 and 24 tune in, which is four times higher than across all SVOD platforms combined.

From the second quarter of 2020, the daily measurement will include audiences recorded outside the home (public places, second homes, etc.) which will mean that total television consumption is reflected more accurately. The addition of outside the home audiences should mean a 4% increase in viewing time across audiences as a whole and 7% for 15 to 34 year olds.



Source: Médiamétrie

But television usage is also expanding via other media. As such, in 2019, Individual Viewing Time across 4 screens (television, computer, tablet, smartphone) stood at 3 hours 40 minutes.

CHANGES IN TV VIEWING PATTERNS CAUSED BY THE ADVENT OF NEW MEDIA

Almost one in two French people watch television in a different way: every day in 2019, more than 7.8 million French people watched programmes via catch-up.

And in parallel, use of S-VOD became more widespread. As such, in 2019, 4.5 million French people watched a programme via SVOD every day.

All these developments in relation to ownership, reception methods and technology have led to a change in the breakdown of audience share between the “traditional” analogue channels and “Other TV”, made up of:

- Cable and satellite pay channels, whose nationwide 4 plus year old audience share was 10.3% in 2019, compared with 12.2% in 2010;
- Free DTT channels, whose nationwide 4 plus year old audience share was 30.6 % in 2019, compared with 19.7 % in 2010, driven by HD DTT channels since 2012.

ÉVOLUTION DU NOMBRE DE CHAÎNES SUR LA TNT GRATUITE, 2005-2018

Source : CSA



Source: CSA

Overall in 2019, changes in TV audience shares on the 4 plus year old target (i.e. all audiences) were as follows, reflecting the so-called "audience fragmentation" phenomenon: traditional channels attracted 59.1% of the nationwide TV audience, compared to 40.9% for "Other TV".

Nationwide audience share (4+ year olds):

%	2019	2018	2017	2016	2015	2010
M6	8.9%	9.1%	9.5%	10.2%	9.9%	10.4%
TF1	19.5%	20.2%	20.0%	20.4%	21.4%	24.5%
France 2	13.9%	13.5%	13.0%	13.4%	14.3%	16.1%
France 3	9.3%	9.4%	9.1%	9.1%	9.2%	10.7%
Canal+	1.3%	1.2%	1.2%	1.7%	2.6%	3.1%
France 5	3.6%	3.5%	3.6%	3.4%	3.4%	3.2%
Arte	2.6%	2.4%	2.2%	2.3%	2.2%	1.6%
TOTAL traditional channels audience share *	59.1%	59.3%	58.5%	60.6%	62.9%	68.1%
W9	2.5%	2.6%	2.6%	2.5%	2.6%	3.0%
TMC	3.1%	3.0%	3.2%	3.0%	3.1%	3.3%
NT1 / TFX	1.8%	1.9%	2.0%	1.9%	2.0%	1.6%
NRJ 12	1.5%	1.5%	1.6%	1.7%	1.8%	1.9%
Virgin 17 / Direct Star / D17 / C Star	1.2%	1.1%	1.2%	1.2%	1.2%	1.0%
Gulli	1.4%	1.7%	1.6%	1.6%	1.6%	2.2%
France 4	1.6%	1.6%	1.8%	1.9%	1.7%	1.6%
Direct 8 / D8 / C8	2.9%	3.0%	3.3%	3.4%	3.4%	2.0%
i>Télé / Cnews	0.8%	0.7%	0.6%	0.9%	1.0%	0.7%
BFM TV	2.3%	2.6%	2.7%	2.3%	2.2%	0.9%
6ter	1.7%	1.6%	1.7%	1.4%	1.1%	n.a
HD1 / TF1 Séries Films	1.8%	1.8%	1.9%	1.8%	1.2%	n.a
RMC Découverte	2.3%	2.2%	2.1%	1.8%	1.3%	n.a
Numéro 23 / RMC Story	1.3%	1.4%	1.2%	0.8%	0.6%	n.a
Chérie 25	1.1%	1.1%	1.1%	1.1%	0.7%	n.a
L'Equipe 21 / L'Equipe	1.4%	1.2%	1.1%	0.9%	0.6%	n.a
LCI	1.0%	0.7%	0.6%	0.3%		
TOTAL DTT channels audience share	30.6%	30.6%	31.5%	29.4%	27.1%	19.7%
TOTAL cable and satellite channels audience share *	10.3%	10.1%	10.0%	10.0%	10.0%	12.2%
TOTAL	100%	100%	100%	100%	100%	100%

* Until 2011 inclusive, France 5 was considered a traditional channel before 7pm and a DTT channel after 7pm, whilst Arte was considered a traditional channel after 7pm and as a DTT channel before 7pm.

On the commercial target, this audience fragmentation is even more stark. Thus, in 2019, the traditional channels represented only 53.0% of audiences (down 15pp in eight years).

Nationwide audience share WRP<50:

%	2019	2018	2017	2016	2015	2010
M6	14.7%	15.0%	15.7%	16.0%	15.4%	16.5%
TF1	22.0%	22.5%	22.1%	22.4%	23.4%	28.1%
France 2	8.6%	8.4%	8.3%	8.6%	9.8%	12.0%
France 3	3.7%	4.0%	3.7%	3.9%	4.0%	6.0%
Canal+	1.1%	1.0%	0.9%	1.5%	2.4%	2.6%
France 5	1.8%	2.0%	2.0%	2.0%	1.9%	2.1%
Arte	1.0%	1.0%	0.9%	0.9%	1.0%	0.6%
TOTAL traditional channels audience share *	53.0%	53.9%	53.6%	55.4%	57.8%	67.9%
W9	3.9%	3.8%	4.0%	3.8%	3.8%	3.9%
TMC	4.4%	4.1%	4.3%	3.8%	3.6%	3.6%
NT1 / TFX	3.3%	3.3%	3.5%	3.5%	3.2%	1.6%
NRJ 12	2.3%	2.3%	2.5%	2.5%	2.5%	2.5%
Virgin 17 / Direct Star / D17 / C Star	1.4%	1.4%	1.5%	1.5%	1.3%	1.3%
Gulli	1.5%	1.6%	1.7%	1.5%	1.5%	2.1%
France 4	1.9%	1.8%	2.0%	2.0%	2.0%	1.8%
Direct 8 / D8 / C8	3.1%	3.2%	3.8%	4.0%	4.1%	2.0%
i>Télé / Cnews	0.5%	0.4%	0.3%	0.6%	0.7%	n.c
BFM TV	1.7%	2.1%	2.0%	1.9%	2.0%	n.c
6ter	2.7%	2.6%	2.6%	2.4%	2.1%	n.a
HD1 / TF1 Séries Films	2.6%	2.5%	2.2%	2.3%	1.8%	n.a
RMC Découverte	1.8%	1.7%	1.6%	1.6%	1.2%	n.a
Numéro 23 / RMC Story	1.3%	1.3%	1.1%	1.0%	0.9%	n.a
Chérie 25	1.3%	1.1%	1.1%	1.0%	0.9%	n.a
L'Equipe 21 / L'Equipe	0.7%	0.6%	0.5%	0.4%	0.3%	n.a
LCI	0.3%	0.2%	0.2%	0.1%	n.a	n.a
TOTAL DTT channels audience share	35.5%	35.2%	36.1%	35.1%	32.5%	21.0%
TOTAL cable and satellite channels audience share *	11.5%	10.9%	10.3%	9.9%	9.7%	11.7%
TOTAL	100%	100%	100%	100%	100%	100%

* Until 2011 inclusive, France 5 was considered a traditional channel before 7pm and a DTT channel after 7pm, whilst Arte was considered a traditional channel after 7pm and as a DTT channel before 7pm.

ADVERTISING MARKET

A GRADUAL RECONFIGURATION OF THE MARKET

The resultant technological innovations and rapid changes to habits have altered the advertising market which has been significantly reconfigured over the past dozen or so years in favour of the Internet.

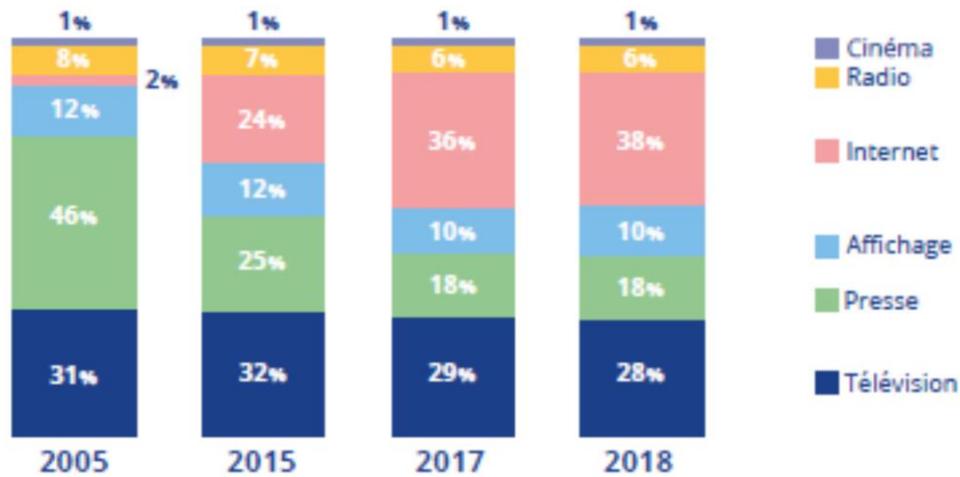
The press, historically the top medium chosen by advertisers, was the main loser from this market upheaval. Its advertising revenues fell almost 60% in 13 years.

Against this backdrop, the medium of TV proved most resilient with a market share of 28% in 2018, compared with 31% in 2005.

Radio's market share was stable in 2018 compared with 2017, and has restricted its decline over the past 13 years.

RÉPARTITION DES RECETTES PUBLICITAIRES NETTES, 2005, 2015, 2017 ET 2018 (En %)

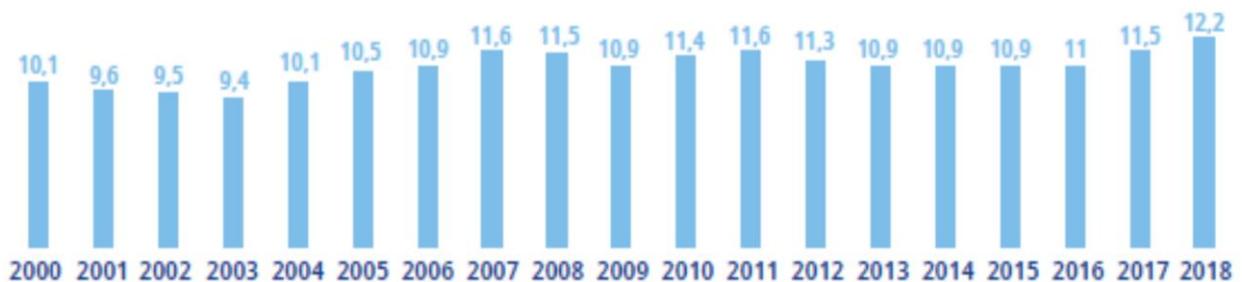
Source : Baromètre unifié du marché publicitaire 2018, IREP. Ce graphique contient des arrondis.



CHIFFRE D'AFFAIRES PUBLICITAIRE ANNUEL PLURIMÉDIA, 2000-2018

(En milliards d'euros courants)

Source : Baromètre unifié du marché publicitaire 2018, IREP. Ce graphique contient des arrondis.



Source: Source IREP - Processed by CSA (net revenues)

Although the advertising market seems to have posted visible growth over the past 18 years, in reality it has suffered two economic crises: the bursting of the dot.com bubble in the early 2000s and the effects of the financial crisis that happened in 2008-2009.

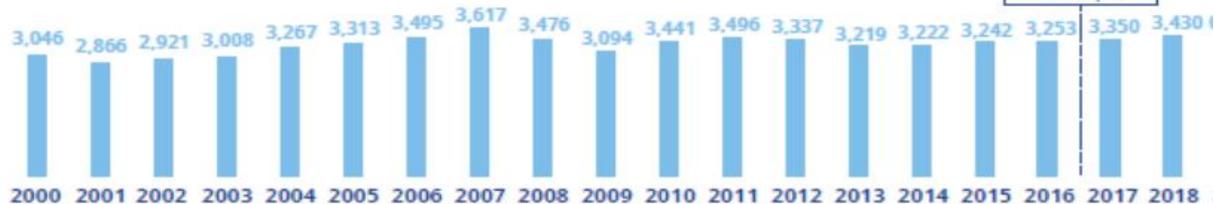
In 2018, the multimedia advertising market had still not returned to its peak of 2007, standing 5% below it.

CHIFFRE D'AFFAIRES PUBLICITAIRE ANNUEL DES CHAÎNES NATIONALES

(En milliards d'euros courants)

Source : Baromètre unifié du marché publicitaire 2018, IREP. Ce graphique contient des arrondis.

2000-2018



Note : le BUMP 2018 intègre pour la première fois les recettes nettes des services en ligne dans le total des recettes publicitaires en télévision, avec une comparaison pour la seule année précédente (2017). À titre indicatif, les recettes publicitaires de 2017 avec l'ancien périmètre étaient de 3,286 milliards d'euros (voir Rapport annuel 2017 du CSA et le BUMP 2017 de l'IREP).

Source: IREP - Processed by CSA

CHANGES IN THE MULTIMEDIA AND TV ADVERTISING MARKET BETWEEN 2018 AND 2019

Advertising expenditure (gross) – Multimedia:

	2019		2018		2017
	(€ millions)	(% change)	(€ millions)	(% change)	(€ millions)
Total TV *	14,376.7	2.5%	14,027.3	6.6%	13,155.5
<i>incl. traditional channels</i>	7,546.6	0.9%	7,476.2	5.2%	7,106.7
<i>incl. DTT channels</i>	5,795.4	3.1%	5,621.8	6.8%	5,264.2
<i>incl. Cab/Sat channels</i>	1,034.6	11.3%	929.3	18.5%	784.6
Press	6,253.8	-2.0%	6,383.8	-5.1%	6,723.8
Radio	5,434.3	5.6%	5,147.5	3.9%	4,955.0
internet **	2,432.8	-20.4%	3,057.4	-15.5%	3,619.5
Outdoor advertising	2,397.1	-0.3%	2,405.5	-3.9%	2,503.7
Cinema	640.0	12.0%	571.6	0.6%	568.4
TOTAL	31,534.6	-0.2%	31,593.2	0.2%	31,525.8
TOTAL excl. Internet **	29,101.8	2.0%	28,535.8	2.3%	27,906.3

* including self-promotion ** For internet Kantar only includes desktop display (excluding mobiles), and excludes Facebook and Google, making data difficult to interpret

Developments in the multi-year multimedia advertising market (press, television, billboard advertising, radio, internet and cinema) highlighted the following trends:

- Gross advertising expenditures increased slightly. This figure however masks mixed trends amongst the various media: television, radio and cinema saw their gross advertising revenues increase, whilst press revenues and outdoor advertising fell.
- Television had a greater market share over the year, and in 2019 represented 46% of multimedia investments, internet excluded (gross data). Television reaffirmed its position as the leading advertising medium and the benchmark medium in France.
- In addition, according to the online advertising watchdog, the net market for online advertising, search engines excluded (display and other levers, such as affiliation, emailing and price comparison services) was worth €2,478 million, a year-on-year increase of 15%.

Video display (19% increase in revenues to €491 million) is one of the major growth drivers in online advertising.

In addition, according to the watchdog, data is the driver of digital advertising, inasmuch as it facilitates:

- Measuring and monitoring the reach of campaigns,
- Offering targeted advertising,
- Measuring the effectiveness of campaigns,
- Enhancing customer understanding ahead of the campaign.

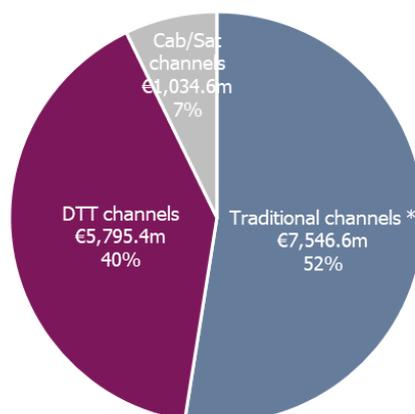
Even though variations in multimedia expenditure, the majority of which is measured in gross data (published prices applied to marketed volumes), provide a significant indication of trends and expenditure distribution by media, it is nonetheless necessary to remain cautious when interpreting the data, which differs from net figures (price actually paid by advertisers to the media after discounts), with potentially significant differences between media that can vary depending on the prevailing economic situation.

According to the Group's estimates, net advertising investments in television may have declined by 1% in 2019.

The different types of channels developed differently. Thus, DTT channels progressively gained market share, reaching 40% in 2019, while traditional channels currently account for 52% of gross advertising investments in television.

In addition, the cable and satellite channels represented 7% of the gross television advertising investments in 2019.

Advertising expenditure (gross) – TV: market share analysis by segment:



* Including self-promotion - Since 1 January 2017, the Canal sales house has been marketing C+ and C8 screens under a single medium, C8+, medium belonging to the DTT environment

TRADITIONAL CHANNELS: DISTRIBUTION OF ADVERTISING EXPENDITURE AND MARKET SHARE (GROSS DATA, TRADITIONAL CHANNELS, EXCLUDING SELF-PROMOTION)

GROSS traditional channel TV expenditure (traditional channels, excluding self-promotion and regional channels)

	2019		2018		2017		2016		2015
	(€ millions)	(% change)	(€ millions)						
M6	2,099.5	-2.1%	2,144.9	+1.5%	2,113.6	+8.4%	1,949.1	+6.2%	1,834.8
TF1	3,723.8	+1.5%	3,667.6	+2.9%	3,563.1	-0.2%	3,569.2	-0.2%	3,576.3
France 2	419.0	+7.7%	389.1	+4.4%	372.6	+1.9%	365.8	+10.8%	330.1
France 3	151.3	2.0%	148.4	-2.1%	151.6	+4.4%	145.2	+5.6%	137.5
France 5	56.2	+9.0%	51.6	+7.9%	47.8	+13.5%	42.1	+13.2%	37.2
TOTAL *	6,449.9	+0.8%	6,401.7	+2.4%	6,248.7	+2.9%	6,071.4	+2.6%	5,915.8

* Since 1 January 2017, the Canal sales house has been marketing C+ and C8 screens under a single medium, C8+, medium belonging to the DTT environment. Historical data may have been restated.

GROSS traditional channel TV advertising market shares (traditional channels, excluding self-promotion and regional channels):

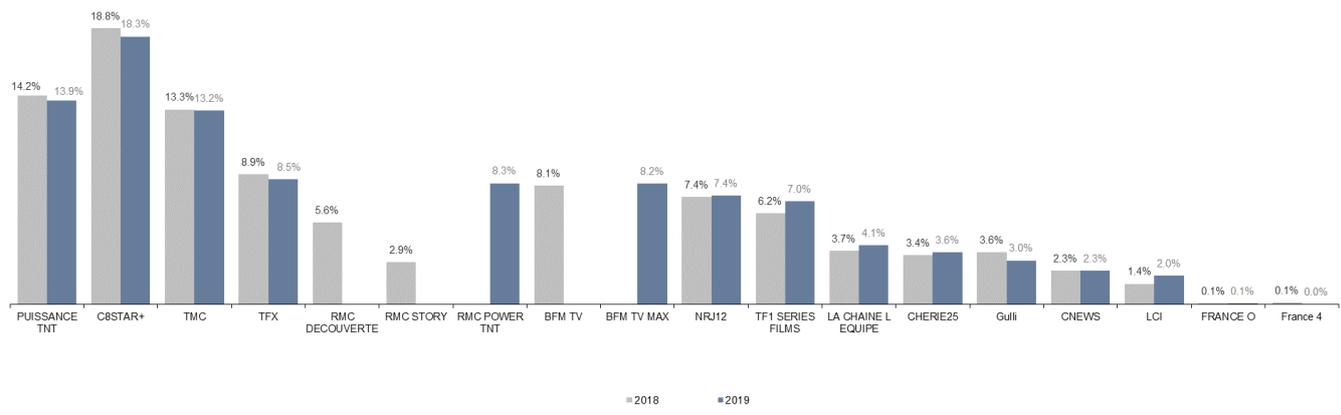
	2019		2018		2017		2016		2015
	Market share	(% change)	Market share						
M6	32.6%	-1.0pp	33.5%	-0.3pp	33.8%	+1.7pp	32.1%	+1.1pp	31.0%
TF1	57.7%	+0.4pp	57.3%	+0.3pp	57.0%	-1.8pp	58.8%	-1.7pp	60.5%
France 2	6.5%	+0.4pp	6.1%	+0.1pp	6.0%	-0.1pp	6.0%	+0.4pp	5.6%
France 3	2.3%	+0.0pp	2.3%	-0.1pp	2.4%	+0.0pp	2.4%	+0.1pp	2.3%
France 5	0.9%	+0.1pp	0.8%	+0.0pp	0.8%	+0.1pp	0.7%	+0.1pp	0.6%
TOTAL	100%		100%		100%		100%		100%

* Since 1 January 2017, the Canal sales house has been marketing C+ and C8 screens under a single medium, C8+, medium belonging to the DTT environment. Historical data may have been restated.

DTT CHANNELS: DISTRIBUTION OF ADVERTISING MARKET SHARE (GROSS DATA IN %)

The breakdown of the gross advertising market for DTT channels, which totalled €5,795.4 million in 2019, an increase of 3.1%, reflects the breakdown of the audience share of each of the channels, as well as the strength of the Puissance TNT advertising offer (synchronisation of commercials on W9 and 6ter), the advertising medium that delivers the highest GRP on

DTT (excluding Canal + / C8 / C Star – the Canal sales house markets slots for C+, C8 and CStar through a single medium, C8+, which belongs to the DTT world). It was as follows:



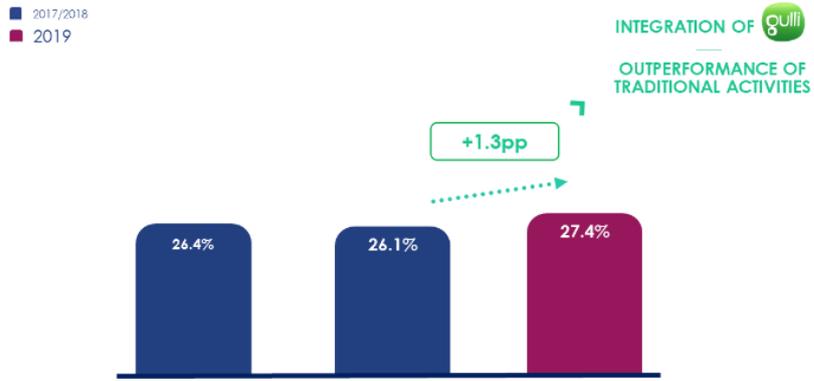
* Since 2019, NEXTREGIE has been selling slots on BFM TV and the 6.00am to 9.00am timeslots on RMC Découverte and RMC Story via a single format, BFM TV Max, and the slot on RMC Découverte and RMC Story (excluding the 6.00am to 9.00am timeslots) via a single format, RMC Power TNT.

CABLE AND SATELLITE CHANNELS: DISTRIBUTION OF ADVERTISING MARKET SHARE (GROSS DATA)

The distribution of the gross advertising market of cable and satellite channels, which totalled €1,034.6 million in 2019, potentially involves more than a hundred channels.

M6 GROUP TV MARKET POSITIONING AND STRATEGY IN 2019
M6 GROUP'S SALES HOUSE STRENGTHENED ITS POSITION IN THE TV MARKET

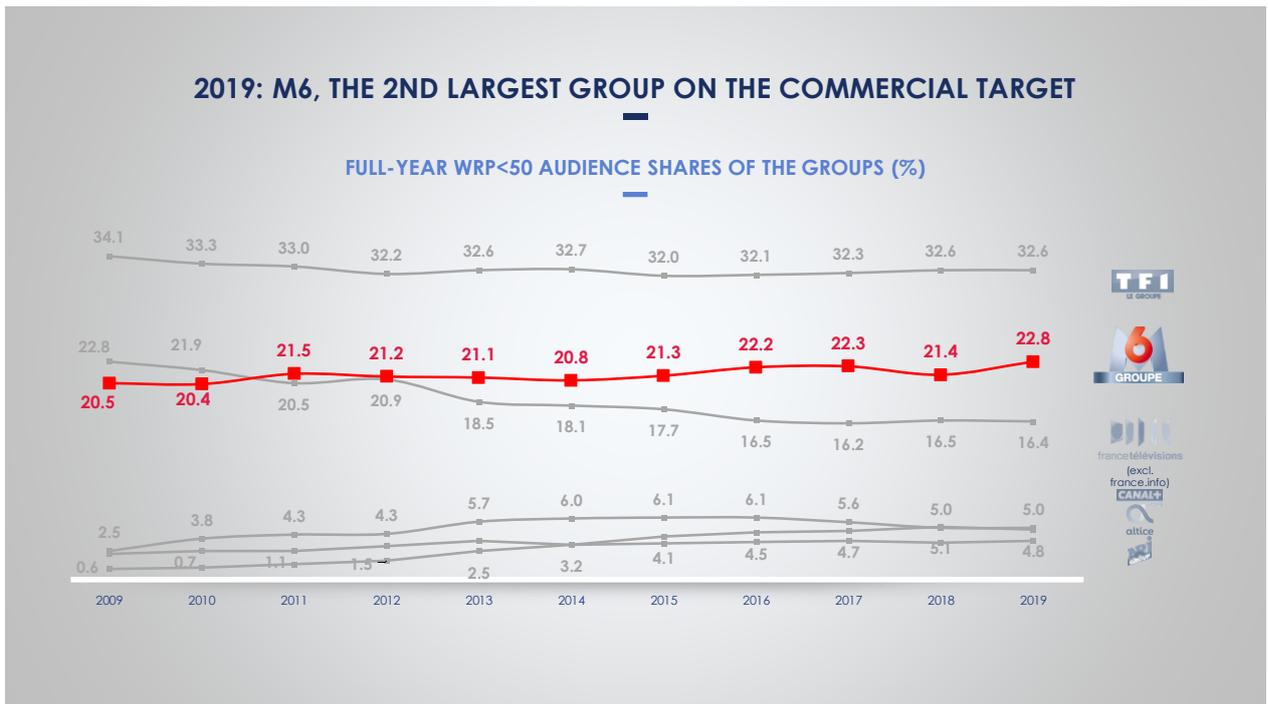
CHANGE IN NET TV ADVERTISING MARKET SHARE OF M6 GROUP'S CHANNELS AND ASSOCIATED SERVICES SINCE 2017 (%)



Source: IREP + M6 estimates based on a 1.0% decline in the TV advertising market (inc. Digital) in 2019

Overall, the Group's sales house, M6 Publicité, achieved a total TV market share of 23.3% in 2019 (gross advertising market share, measured by adding terrestrial, DTT, cable and satellite revenue), estimated by M6 to be 27.4% in net figures, across the entire TV advertising market, thus retaining its rank as the number two French sales house.

FREE-TO-AIR TELEVISION



M6 Group’s family of free-to-air channels has never been as powerful with the addition of Gulli. It posted a 14.5% audience share amongst the over 4s and more than 22.8% among women under 50 responsible for purchases, representing record levels for the Group.

M6

The M6 channel maintained its second placed ranking amongst WRP<50, with a 14.7% audience share (down 0.3 pp year-on-year), despite the fall in its audience figures during periods of the day with lower advertising spend (morning and afternoon). M6 is the only leading traditional channel to post year-on-year growth on the commercial target during the strategic access primetime and primetime slots (timeslot - 7.45pm to 10.30pm). 7.45pm - 10.30pm).

STRENGTH OF TRADITIONAL M6 BRANDS IN PRIMETIME

AUDIENCE SHARE WRP<50 FREE-TO-AIR CHANNELS MONDAY-SUNDAY 9.10PM – 10.30PM

17.5%

25% WRP<50 AND 3.8M FOR ITS 14TH SEASON

BEST SEASON FOR WRP<50 IN 6 YEARS

26% WRP<50 AND 2.8M FOR ITS 8TH SEASON

2ND BEST SEASON EVER WRP<50

BEST YEAR FOR WRP<50 IN 10 YEARS

These results are an indication of the Group's desire to invest in content and to develop entertainment brands, which will ensure its long-term success in the face of changing habits. The channel thus succeeded in developing its leading traditional brands:

- *La France a un incroyable talent* : 2nd best ever season amongst WRP<50 (25%) and 3.6 million viewers on average;
- *Top Chef*: best season amongst WRP<50 in 6 years (25%) and 3.2 million viewers on average;
- *Pékin Express*: best ever season amongst WRP<50 (25%) and 2.6 million viewers on average;
- *Le Meilleur Pâtissier*: very good results for the 8th season with WRP<50 (26%) and 2.8 million viewers on average;
- *L'Amour est dans le pré*: continues to post very good results for the 14th season with a 25% audience share amongst WRP<50 and 3.8 million viewers on average;
- *Capital*: best season amongst WRP<50 in 10 years (18%) and 2.5 million viewers on average;

This year once more, M6 demonstrated its ability to create a buzz with the programmes and sporting events it offered:

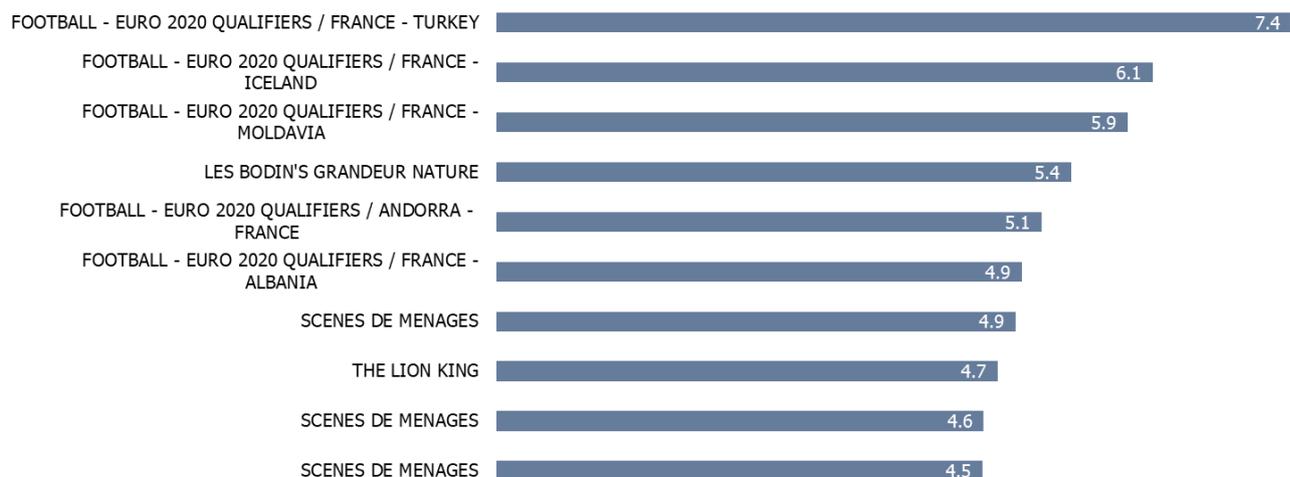
- *The Lion King*: 3rd best performance amongst WRP<50 for a primetime film on M6 (38% audience share) and 4.7 million viewers on average;
- Euro 2020 qualifiers with the France men's football team: five matches broadcast, including France vs. Turkey, highest audience for one of their matches since the 2018 World Cup all channels combined (25% WRP<50 and 7.4 million viewers on average).



In the early primetime slot, M6 continued to perform at a high level thanks to the consistency and strength of its programme scheduling. This key timeslot, also highly prized by advertisers, takes audiences through to primetime:

- *Le 19 45*: only news bulletin to post year-on-year growth for both viewing figures and audience share (21% WRP<50 and 2.6 million viewers on average);
- *Scènes de ménages*: most watched daily drama serial (3.8 million viewers on average) which recorded its best year for five years with WRP<50 (21% audience share);
- *En Famille*: best ever season among WRP<50 (24% audience share) and 2.7 million viewers on average.

Top ten M6 audience ratings in 2019 (millions of viewers):



W9

W9 AND 6TER AMONG THE TOP DTT CHANNELS FOR WRP<50 GULLI STRONGER THAN EVER WITH YOUNGER VIEWERS

 <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  <p>Most powerful reality TV range on DTT 1.1M</p> </div> <div style="text-align: center;">  </div> </div> <hr style="border-top: 1px dashed #ccc;"/> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  <p>Strongest magazine show range on DTT 0.7M</p> </div> </div>	 <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  </div> <div style="text-align: right;"> <p>+55% viewers year-on-year 3.6% WRP<50 audience share</p> </div> </div> <hr style="border-top: 1px dashed #ccc;"/> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  </div> <div style="text-align: right;"> <p>4.3% WRP<50 audience share</p> </div> </div>	 <div style="display: flex; justify-content: space-between;"> <div style="text-align: left;"> <p>No.1 channel nationally with children during the day (16.4% 4-10 years 6am - 8pm)</p> </div> <div style="text-align: right;">  </div> </div> <hr style="border-top: 1px dashed #ccc;"/> <div style="display: flex; justify-content: space-between;"> <div style="text-align: left;"> <p>Growth among WRPs with children In primetime Best audience share for 5 years</p> </div> <div style="text-align: right;">  </div> </div>
---	--	--

In the highly competitive free DTT market, M6 Group continued to consolidate the positioning of W9 as a leading DTT channel, with a view to making it a general-interest channel for under 50 year-old audiences.

In 2019, W9 consolidated its position as the second largest DTT channel on the commercial target of women under 50 responsible for purchases, with an audience share of 3.9%, up 0.1 pp.

The channel notably achieved the best growth out of all channels combined in access primetime (up 0.8 points for WRP<50 during the 7.00pm to 8.15pm timeslot), driven by its daily reality TV offering:

- *Les Marseillais Asian Tour*: best ever season among the commercial target of WRP<50 (9.1% audience share) and 0.9 million viewers on average;
- *Les Marseillais vs Le Reste du Monde*: best ever season among WRP<50 (8.8% audience share) and 0.8 million viewers on average;
- *Moundir et les apprentis aventuriers*: best ever season amongst WRP<50 (8.6% audience share) and 0.8 million viewers on average.

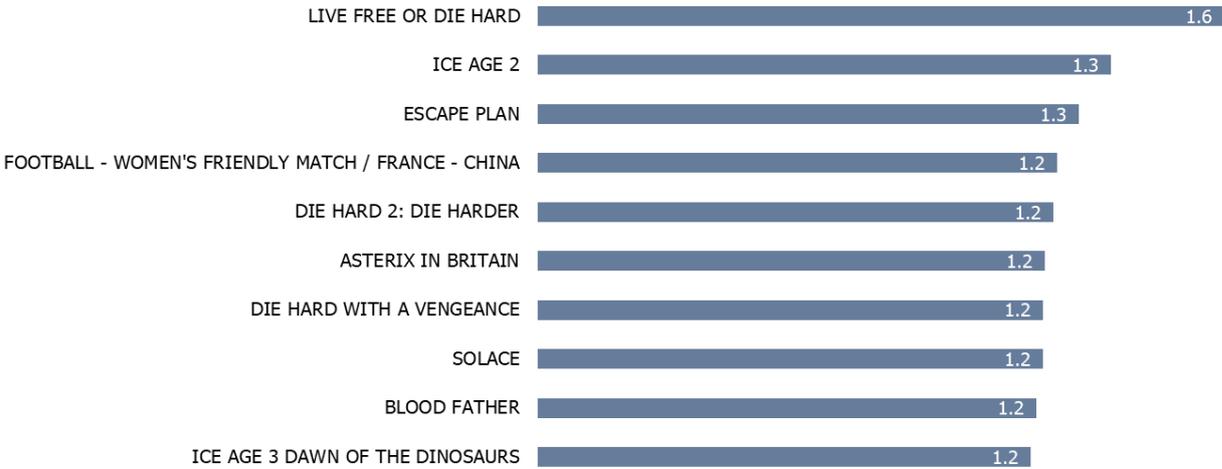
In prime-time, W9 posted growth and benefited from the good performances of magazine shows, the range of which is the strongest on DTT, thanks in particular to *Enquêtes criminelles* and *Enquêtes d'action*. The new format, *Minute par minute*, also

achieved the second highest audience figures for the programme type on DTT in the evening in 2019 with the edition covering 11 September 2001 (1.1 million viewers on average and 7.3% WRP<50). W9 managed to make a splash with films and major American franchises (1.6 million viewers on average and 6.8% WRP<50 for *Die Hard 4 - Live Free or Die Hard*, as well as with the France women's football team's matches, for which the channel is the official broadcaster.

The success of its positioning is reflected, for example, by its power in the digital world, with 90 of the 100 best audience figures achieved by television programmes watched online.

W9's image and reputation continue to grow: in 2019 the channel having confirmed its status as France's favourite DTT channel. This solid performance is the result of an active and creative policy of producing ground-breaking programmes in access prime-time (*Un dîner presque parfait* reality TV), in parallel with varied primetime programming, built around several pillars (films, series, sport, and magazines) and new shows embodied by modern and dynamic figures, from the worlds of music, entertainment and humour.

Top ten W9 audience ratings in 2019 (millions of viewers):



6TER

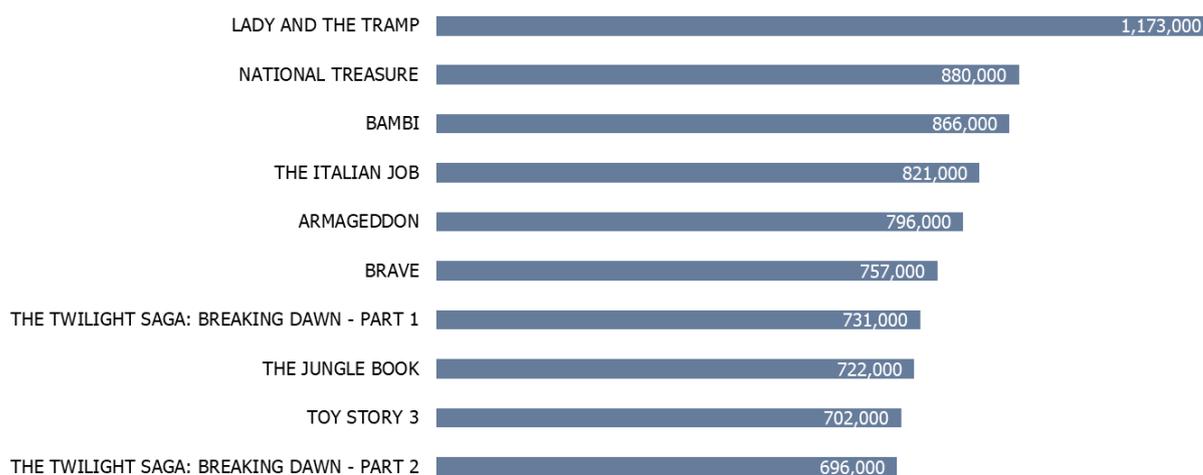
In 2019, 6ter recorded its best year across all audiences, with a 1.7% audience share. As with every year since its creation, the channel was ranked as the leading new generation DTT channel with women responsible for purchasing under 50, with an audience share of 2.7%, an increase of 0.1 points.

This performance reflects the appeal of its very family friendly programming, such as:

- The documentary series, *Les Mamans*, a must-watch late afternoon show, which saw its WRP<50 audience increase by 55% year-on-year;
- Its impressive range of films shown in the evenings. *Lady and the Tramp*, which achieved a record audience for the channel, as well as *National Treasure* which achieved average viewing figures of 1.2 million and 0.9 million respectively;
- Primetime magazines *Vive le camping* and *Les vacances préférées des Français*, presented by Elodie Gossuin and which achieved an average audience of 0.4 million viewers.

6ter's family friendly image continued to grow stronger. In 2019, the channel was ranked as one of the three channels that rose the most in the rankings of French viewers' favourite channels.

Top ten 6ter audience ratings in 2019 (number of viewers):



PUISSANCE TNT

In 2014, M6 Publicité introduced a unique solution in France to synchronise advertisements on its two free-to-air DTT channels - W9 et 6ter – through its “Puisseance TNT” offer, thereby successfully positioning itself as the leader in this category of channels by offering the most powerful advertisements on DTT.

Across 2019 as a whole, Puisseance TNT was the leading advertising package amongst the under 50s: it generated the strongest DTT slots in the under 50s and women under 50 responsible for purchases categories.

GULLI

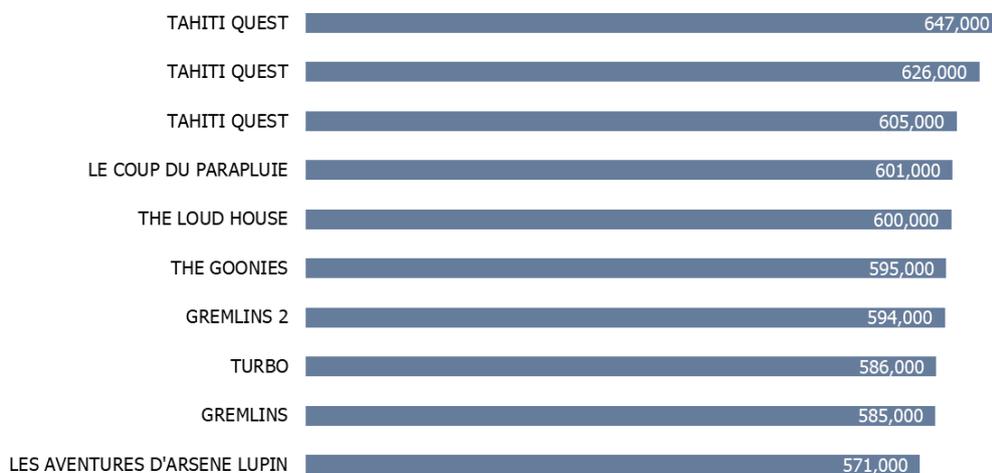
Gulli has been integrated into M6 Group since 1 September 2019. Created in 2005, the channel primarily targets children aged between 4 and 10, although it aims to bring together the whole family. A leading, committed and reassuring brand, Gulli is the channel most popular amongst children and most trusted by parents.

In 2019, Gulli offered children:

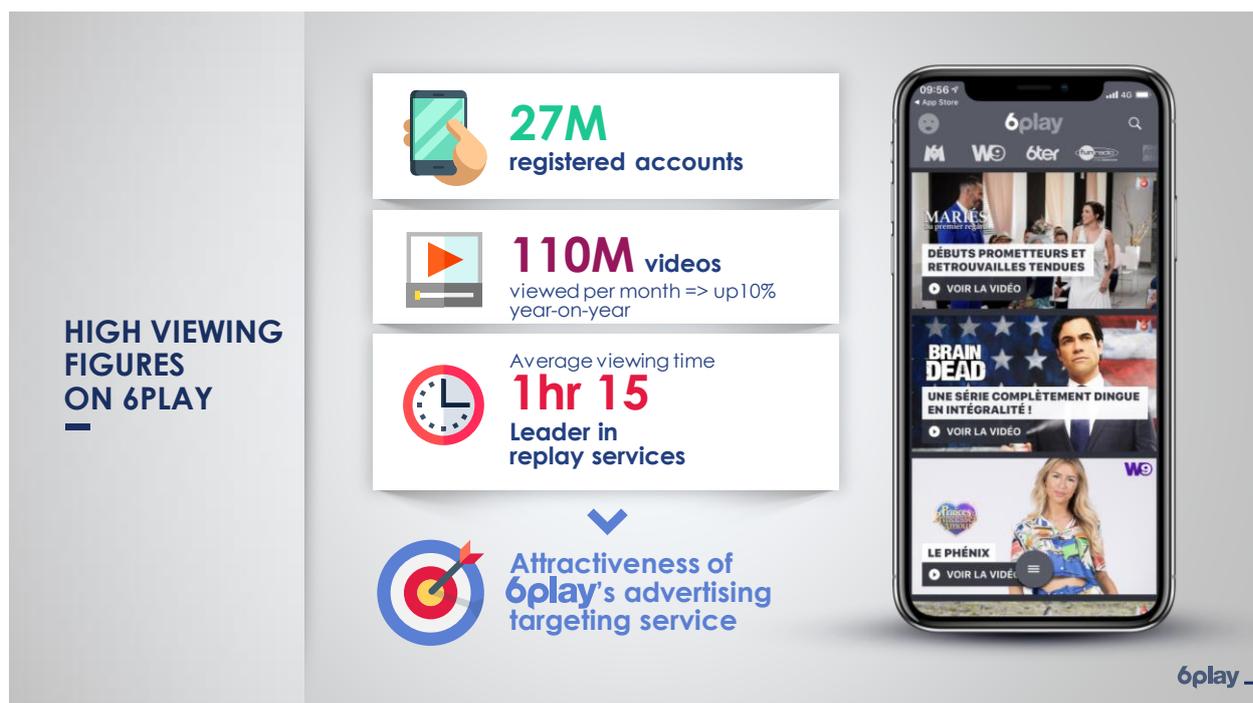
- Exclusive international titles (*The Adventures of Puss In Boots*, *Trollhunters*, *Power Rangers*, *Kally's Mashup*, etc.);
- French series (*Zig & Sharko*, *Oggy et les cafards*, *Les aventures de Tintin*, etc.). Gulli and the other Children's channels, including their international versions, broadcast almost 24,000 hours of French animation in 2019, making it the leading French broadcaster for this production sector;
- New entertainment shows (*E=M6 family* notably presented by Mac Lesggy, *Tahiti Quest*, *Gu'Live*, etc.);
- Documentaries (*La planète blanche*, *Premier homme*, etc.).

Gulli achieved an audience share of 1.5% over the whole year amongst women under 50 responsible for household purchasing (down 0.1 pp year on year). The channel is also ranked as the top children's channel nationally for daytime viewing (16.4% audience share amongst 4-10 year olds between 6am and 8pm).

Top ten Gulli audience ratings in 2019 (number of viewers):



6PLAY



6play is M6 Group's totally personalised digital media entertainment platform, available on computers, smartphones and tablets, and included in the television packages offered by France's leading Internet providers. Its range includes:

- A comprehensive entertainment offering for the whole family in a single service through which all M6 Group's channels can be enjoyed both live and via catch-up, as well as the radio stations RTL2 and Fun Radio in a 100% video format, and a VOD catalogue with over 2,000 hours of TV programmes and original series;
- Technology at the forefront of innovation. 6play is the first catch-up to export its technical platform as a white label solution (Croatia, Belgium, Hungary, etc.). The Salto SVOD service will specifically rely on the 6play technology platform.

In 2019, 6play established itself as the most successful catch-up service on the four screens:

- Average daily viewing time per viewer of 1 hour 15 mins.
- 110 million videos viewed per month, driven by catch-up audiences for live programmes and by a dynamic acquisition and production strategy implemented by M6 Group channels for 6play;

In addition to the flagship programmes of M6 Group's linear channels, 6play continues to enhance its catalogue with new content not broadcast on the network, in all the areas popular amongst its users. In this way, in 2019, 6play launched 12 original productions (*En route vers le meilleur pâtissier*, etc.) and 100 new brands (*Keeping Up with the Kardashians*, *The Real Housewives of Beverly Hills*, etc.).

With more than 27 million accounts created and more than 150 identified user profile types, 6play can today leverage genuine expertise in marketing engineering to offer a totally personalised experience: multi-screen playback (from the same point), recommendations, favourites, etc.

GULLI MAX

Gulli Max is an SVOD service aimed at children which offers unlimited advertisement-free access to 4,000 videos which bring together all the most popular children's heroes.

The catalogue is comprised of entire seasons (*Gormiti*, *BeyBlade*, *Kally's Mashup*, *Maya l'Abeille*, *Oggy et les Cafards*, etc.) as well as exclusive previews of series (created by the best French and international animation studios), films, and programmes from around the world.

GulliMax is available through Altice, Orange and Amazon Prime Video Channels.

DIGITAL PAY CHANNELS

Digital pay channels are distributed on all broadcasting platforms and media (cable, satellite, IPTV, mobile, internet), with a view to maximising the potential of subscribing households/individuals.

This significant exposure enables pay-TV channels to attract targeted or more general-interest audiences, depending on their positioning, and as a result offer commercial breaks that meet the objectives of advertisers' campaigns. Therefore, the Group has developed a family of pay channels to complement free-to-air channels, with strong and identity-building positioning, with the intent of making each of these channels a gold standard in its niche market (Paris Première for upper socio-economic targets, Téva for women). It is also with this aim in mind that M6 Group has complemented its portfolio of channels with the acquisition of Lagardère's children's/young adults' channels.

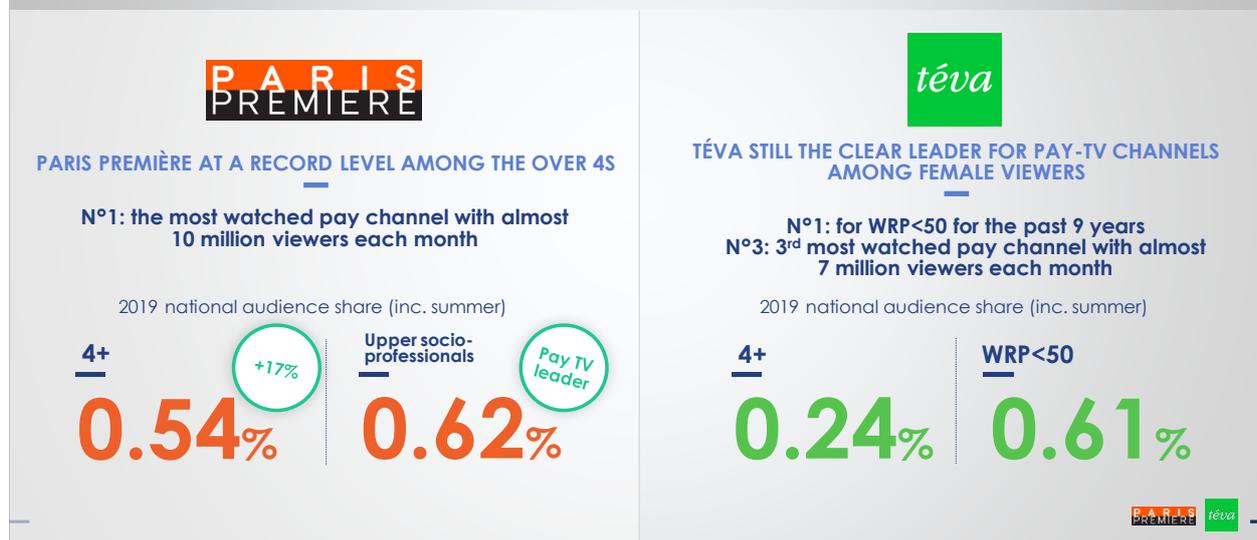
Change in the number of households (4+ year old) equipped to receive M6 Group's pay channels:

Number of households equipped to receive M6 Group's pay channels *						
	Dec-19		Dec-18		Dec-17	
	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV	Equipped households (millions)	% of households equipped with TV
Téva	10.5	39%	10.8	40%	15.7	59%
Paris Première**	10.0	37%	10.5	39%	11.1	41%
M6 Music	8.3	31%	8.5	32%	8.9	33%
Série Club	6.1	23%	6.5	24%	6.3	24%
Canal J***	7.4	27%	-	-	-	-
Tiji***	7.3	27%	-	-	-	-
RFM TV***	8.4	31%	-	-	-	-
MCM***	9.5	36%	-	-	-	-
MCM Top***	0.4	1%	-	-	-	-

* Estimate of households (Mainland France) effectively connected, restated for subscribers to several packages ** Excluding Paris Première's unscrambled slots *** Integrated in M6 Group since 1 September 2019

According to Kantar Media data, the cumulative advertising market share of M6 Group's pay channels (Paris Première, Téva, M6 Music, Série Club, MCM, MCM Top, Canal J, Tiji and RFM TV) in the thematic channels' environment totalled 18.1% in 2019, an increase of 1.3 pp compared to 2018.

2019: PARIS PREMIÈRE AND TÉVA, 2 OF THE 3 MOST POWERFUL PAY CHANNELS



On 15 December 1986 at 7pm, Paris Première was launched on Paris Cable’s channel 8. Among a constantly changing audiovisual industry, Paris Première benefits today from stable visibility and a strong identity.

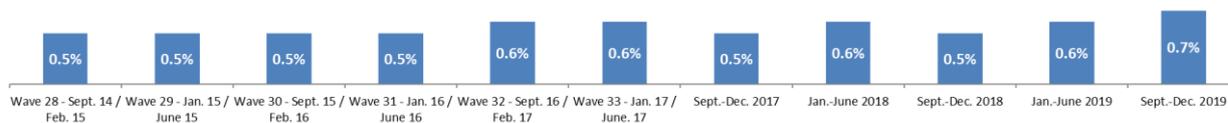
Paris Première benefits from an extensive broadcasting network: cable, satellite, IPTV, mobile TV (3G and 4G) as well as pay DTT since 21 November 2005, with a daily two-hour unscrambled time slot between 6.35pm and 8.35pm.

Within an ever more competitive audiovisual environment, Paris Première stood out by screening live performances, a wide range of films as well as original magazines where discussion, culture and the French art of living take centre stage. The channel’s leading shows in 2019 included *Très très bon*, *Zemmour et Naulleau*, the very popular singers’ show *La Revue de presse* and the new culture magazine *Rayon Cult*.

The channel’s range is also based on a full and varied schedule of event driven programming via the live broadcast of theatre shows.

In 2019, Paris Première had a record year and is the most watched Pay-TV channel with almost 10 million viewers a month.

Paris Première’s audience share of 4+ year old individuals:



TÉVA

Launched more than 20 years ago, Téva, M6 Group’s channel aimed at women, continues to be their greatest ally in the Pay-TV environment year after year. As such, for nine years Téva has been the undisputed leader of the Pay-TV channels amongst female viewers and is one of the top 3 most watched Pay-TV channels with almost 7 million viewers per month.

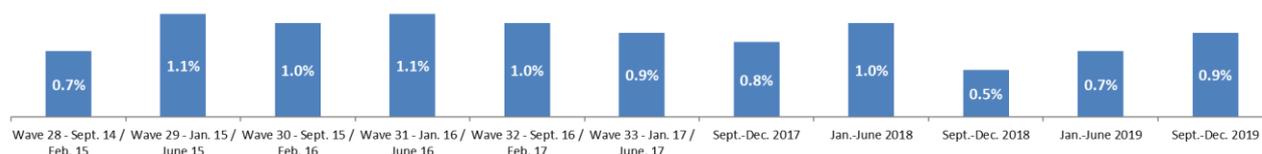
In 2018, following the renegotiation of the Group’s distribution agreements, Téva saw a fall in its exposure as a result of its exit from the basic service level of Orange’s television package.

Known for its original series and magazine shows, in 2019 the channel confirmed its status as the leading channel for women’s comedy with the success of the *Téva Comedy Show*. The channel has also ventured into major meaningful documentaries like *Stopping the mental burden* and *Stopping the killing of women – Julie’s Story*.

Téva also offers iconic magazine programmes, such as *Téva Déco*, *Happy & Zen*, etc.

Lastly, original series continued to give a voice to strong and remarkable and contemporary women (*Bold Type* and *Bad Mothers*).

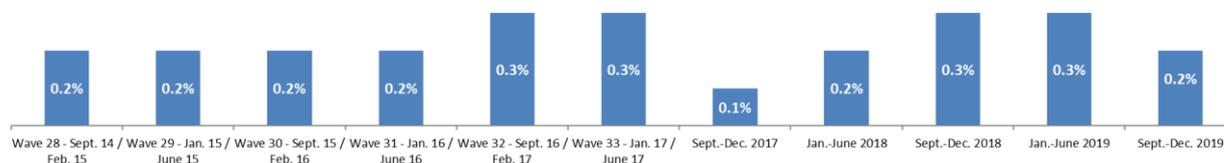
Téva’s audience share of women under 50 responsible for purchases:



SÉRIECLUB

sérieclub, which is 50% held by M6 (and 50% by TF1 Group), was created in 1993 and has ever since occupied a clearly identified position in the complementary TV offering. The channel asserted its positioning as the “series channel”, with a complete range of never shown-before series and full broadcasts of cult series. Série Club is also available on catch-up TV.

Série Club audience share of women under 50 responsible for purchases:



M6 MUSIC

M6 Music’s offers programming based on hits and stars geared towards 15-34 year olds, and is accessible via cable, satellite, IPTV and mobile phones.

M6 Music is now:

- The most well-known music channel amongst French people with a recognition rate of 70%,
- The second most popular music channel in the 15-24 and 15-34 age ranges.

CANAL J

A leading and trailblazing children’s channel in France, Canal J continues to captivate 7 to 12 year olds, offering a rich diversity of programmes with 75% new shows each year.

TIJI

TiJi is a young and playful channel aimed at 3 to 7 year olds. It’s good to grow up with TiJi thanks to original programmes that promote an understanding of and openness to the world.

MCM

MCM is the go-to channel for Millennials in relation to pop culture. As well as its commitment to the music that punctuates its schedule, the channel offers the best cult animation shows and original series.

GULLI INTERNATIONAL

Armed with its expertise and brand reputation, Gulli has become popular around the world. International development is one of the cornerstones of its growth:

- Gulli Girl and Tiji in Russia: launched in May 2009 and broadcast in Russian, the channels have almost 6.5 million and 12 million subscriber households respectively in Russian speaking areas;
- Gulli Africa: launched in 2015, it has 1.5 million subscribers across 25 French speaking countries in sub-Saharan Africa and is the most popular children's channel in Ivory Coast, Senegal and Cameroon.
- Gulli Bil Arabi: launched in June 2017, the channel is broadcast in Arabic across 18 territories in North Africa and the Middle East.

DISTRIBUTION AGREEMENTS

In 2018, which marked the expiry of all distribution contracts for M6 Group's channels and their related services, all of these agreements were renewed.

In this regard, M6 Group has achieved its objectives: first, the remuneration levels for the "cab-sat" channels were maintained, and second, M6 Group was able to obtain a value-share from distributors relating to the inclusion of M6, W9, and 6ter in their television offerings. This value had been entirely retained by the distributors up until 2017.

COMPREHENSIVE ADVERTISING PACKAGE

In 2019, the sales house has once again made innovation the focus of its range.

M6 Publicité pursued its simplification strategy aimed at its partners and launched a new version of MY6, its customised platform, which now allows both media purchasers and advertisers to reserve M6 Group's advertising inventory online thanks to a real-time connection to its schedule. A trailblazing platform created in 2007, MY6 facilitates the coordination of media budgets and the administrative management of M6 Publicité's commercial partners, to ensure an optimised client experience.

M6 Publicité has begun the TV-Digital convergence, to ensure greater advertising effectiveness and improved coverage thanks to Smart 360°, the digital retargeting offer in relation to consumers who have little or no exposure to TV campaigns. This ground-breaking offer allows the brand, as a complement to the TV campaigns, to reach a wider audience and to control the repetition of its advertising message.

The sales house now offers a new immersive video solution available on 6play, Player Augmenté. This innovation helps to intensify the attentiveness of 6play users by generating surprise: the graphic elements of the commercial are extended in sync beyond the player, to ensure an augmented, immersive and captivating effect. M6 Publicité is pursuing its strategy of promoting advertising attentiveness by drawing inspiration from augmented reality and is therefore fulfilling the expectations of its clients by maximising the advertising effectiveness of their campaigns.

In line with the commitments made by M6 Group channels, M6 Publicité ran an events-based conference focusing on CSR and presenting the results of its study, "*The Era of Responsible Brands*", which gave its advertiser and media agency partners the means to identify the challenges related to the sustainable and responsible development of brands.

M6 Publicité enriched its range of creative solutions enabling advertisers to emerge and win the battle for brand preference. With a stake in the Wild Buzz Agency (WBA), the sales house is positioning itself in the experiential marketing sector. An event management agency with proven expertise, WBA is the leader and pioneer of pop-up living spaces dedicated to brands and companies. WBA designs and manages dramatized physical experiences for brands to create emotion, disruption and to make a direct connection with consumers.

CTZAR

The sales house is also present in influence marketing and offers an extensive range of advertising solutions serving brands, notably by having taken a majority shareholding (51%) in the company Ctzar and Sociaddict, its international network of more than 15,000 influencers. A pioneering agency in the field of influence marketing, Ctzar implements and manages influence campaigns internationally.

1.4.2 Radio

BUSINESS PRESENTATION



The Radio division of M6 Group is the leading private radio group in France with an audience share of 18.5% in 2019. The radio division will be based on three radio stations:

- **RTL France and Information & Diffusion**

Radio Luxembourg was created in 1933. In August 1946, Société pour l'édition radiophonique (SPERA) was created in France, becoming, in August 1951, Société pour l'édition radiophonique (EDIRADIO) whose purpose is news gathering, the creation of programmes and their broadcast, and assumed the trade name "RTL" (Radio Télé Luxembourg) in 1966. Since the acquisition of the division by M6, it is currently the company RTL France Radio which runs the RTL station. RTL is a general interest station providing news and entertainment.

In September 1956, the press agency Information & Diffusion (ID) was created. Its purpose was to provide information to the public via all forms of research and broadcast, notably through the medium of radio. It brings together journalists, reporters and international correspondents sent to areas in the news, in tandem with a volunteer engineer, to be as close to the action as possible.

- **FUN Radio (SERC) and its regional broadcast network subsidiaries;**

FUN was created in October 1985 in the south of France by three breakaway members of a rival station. Acquired by Hersant Group in September 1987, owner of the Chic FM network, FUN took on the trade name Fun Radio and was run by Société d'exploitation radio chic (SERC). RTL Group took a stake in the share capital of the company in 1993.

- **RTL 2 (SODERA) and its regional broadcast network subsidiaries**

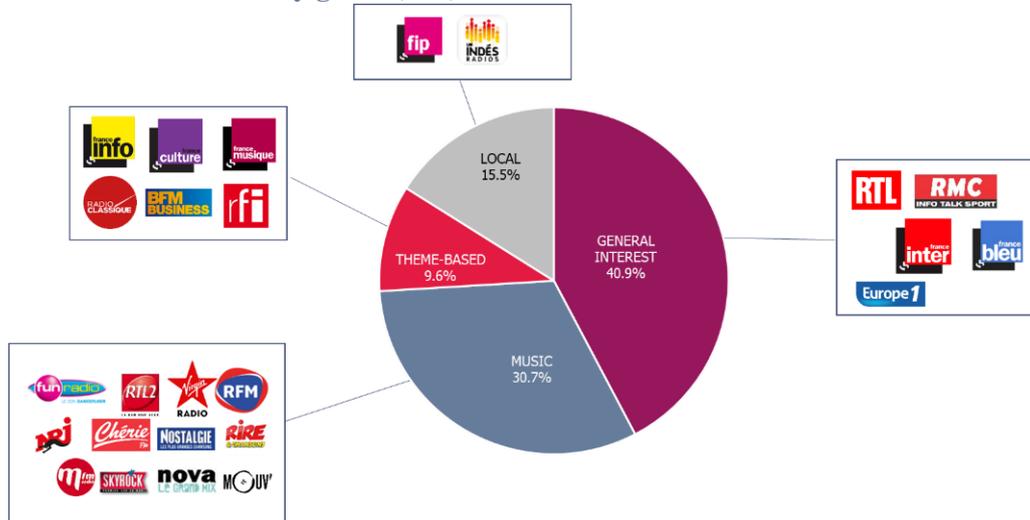
In December 1987, ADDIM (Association pour le Développement et la Diffusion de l'Information Militaire / Society for the Development and Broadcast of Military Information) and Bayard Presse decided to create Société de développement de radio diffusion (SODERA), then the broadcaster of Aventure FM which passed into the hands of RTL Group in 1989. The trade name was changed to "MAXXIMUM" which in 1992 became M40 before taking the name RTL2 in 1995.

TRENDS IN THE RADIO BUSINESS

STRUCTURAL CHANGES IN THE RADIO MARKET

Today, France is one of the countries in the world best catered for in terms of FM radio stations. Their great diversity (with numerous community radio stations) and their number testify to regulation that is both balanced and conscious of the variety of the range.

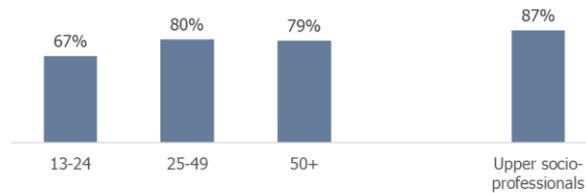
Radio audience breakdown by genre (13+):



The radio environment structure provides a remarkable diversity of stations – private, music based for young people (NRJ, Fun radio, Skyrock, etc.), adult focused (Nostalgie, Virgin, RTL2, etc.), general interest (RTL, Europe 1), public service (France Inter, France Culture, France Bleu, etc.), and community focused.

The commercial market is nevertheless barely fragmented with powerful private national stations and significant daily national coverage.

Listening percentage of Radio media by age:



Individual Listening Time in minutes:



77.5% of French people listen to the radio every day, meaning 42 million listeners with a daily listening time of 2 hours 47 minutes.

Historical audience share – 13 years +:

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
EUROPE 1	4.3	5.1	5.8	6.8	7.5	7.8	7.6	7.4	7.5	8.1	8.3
FRANCE INTER	12.3	11.3	11.0	10.9	9.6	8.9	9.3	10.1	9.8	9.5	9.8
RMC	6.2	6.6	6.7	6.3	6.4	6.6	6.8	6.3	6.1	5.7	5.5
RTL	12.3	12.9	12.7	12.5	11.8	11.3	11.9	11.6	12.1	12.3	12.4
FRANCE BLEU	6.0	6.2	6.3	6.3	6.7	6.6	6.9	6.4	6.2	6.1	5.8
SUD RADIO	-	-	-	-	-	-	-	0.3	0.5	0.5	0.6
General-interest programmes	40.9	42.0	42.4	42.8	42.0	41.3	42.5	42.1	42.2	42.2	42.4
CHERIE FM	2.2	2.2	2.5	2.6	2.8	2.5	2.7	2.7	2.6	3.0	3.0
FUN RADIO	3.4	3.7	3.8	4.1*	4*	3.8	3.6	3.8	4.2	4.1	3.8
MOUV	0.3	0.4	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.4
M RADIO	0.8	0.9	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7
NOSTALGIE	4.5	4.6	4.1	4.1	4.0	4.0	3.9	3.8	4.2	4.4	4.9
NRJ	6.2	5.9	6.3	6.8	7.2	7.4	7.4	6.9	6.0	5.7	5.6
RADIO NOVA	0.4	0.4	0.5	0.5	0.6	0.7	0.7	0.6	-	-	-
RFM	3.1	3.1	3.1	3.2	3.3	3.1	3.0	3.1	2.8	2.9	3.0
RIRE ET CHANSONS	1.3	1.3	1.2	1.2	1.2	1.4	1.5	1.4	1.7	1.6	1.7
RTL2	2.9	2.9	2.6	2.7	2.6	2.9	2.8	2.9	2.9	2.8	2.9
SKYROCK	3.3	3.5	3.5	3.2	3.4	3.8	3.7	4.1	4.6	4.8	4.4
VIRGIN RADIO	2.4	2.5	2.7	2.8	2.5	2.1	1.9	2.1	2.3	2.6	2.8
Music programmes	30.7	31.2	31.2	31.9	32.1	32.4	31.9	31.6	32.1	32.7	33.3
FRANCE INFO	3.9	3.8	4.0	3.5	3.2	3.3	3.4	3.7	3.8	3.5	3.6
FRANCE MUSIQUE	1.4	1.3	1.2	1.2	1.1	1.0	1.1	1.0	1.0	0.9	1.0
FRANCE CULTURE	2.2	1.9	1.7	1.4	1.5	1.6	1.4	1.4	1.3	1.1	1.0
RADIO CLASSIQUE	1.6	1.6	1.6	1.7	1.6	1.8	1.7	1.7	1.6	1.6	1.6
Other theme-based radio stations**	0.5	0.5	0.6	0.5	0.6	0.5	0.6	0.7	0.5	0.6	0.6
Theme-based programmes	9.6	9.1	9.1	8.3	8.0	8.2	8.2	8.5	8.2	7.7	7.8
Les Indés Radios cluster	11.7	11.2	11.1	10.9	11.6	11.6	11.1	11.4	11.5	11.2	10.1
ALOUETTE	0.6	0.6	0.7	0.6	0.7	0.7	0.6	0.7	0.6	0.6	-
Other local radio stations ***	3.2	2.7	2.4	2.4	2.4	2.7	2.6	2.8	2.5	2.7	3.7
Local programmes	15.5	14.5	14.2	13.9	14.7	15.0	14.3	14.9	14.6	14.5	13.8
Other programmes ****	3.3	3.2	3.1	3.1	3.2	3.1	3.1	2.9	2.9	2.9	2.7
TOTAL	100%										

* recalculation * BFM Business and RFI-Radio France Internationale ** other local stations not affiliated with a national network *** including foreign stations, other or non-identified stations, pirate stations and DKs

ADVERTISING MARKET

The multimedia advertising market is outlined in Section 1.4.1.2.

According to Kantar Media data, the cumulative advertising market share of M6 Group's radio stations (RTL, RTL2 and Fun Radio) totalled 24.7% in 2019.

According to the Group's estimates, net radio advertising investments increased by 0.7% in 2019.

Over a longer period, the net Radio market appears to be in decline in relation to its peak, reached in 2006, but has remained stable since 2000.



Note : le BUMP 2018 intègre pour la première fois les recettes nettes des services en ligne dans le total des recettes publicitaires en radio, avec une comparaison pour la seule année précédente (2017). À titre indicatif, les recettes publicitaires de 2017 avec l'ancien périmètre étaient de 694 millions d'euros (voir Rapport annuel 2017 du CSA et BUMP 2017 de l'IREP).

Source: IREP - processed by CSA

Breakdown of GROSS Radio investments:

	Inv. (€)		Market share of environment	
	Jan-Dec 19	change in %	Jan-Dec 19	change in pp
GENERAL INTEREST STATIONS	1,762.9	+1.9%	100.0%	
RTL	734.6	+1.8%	41.7%	-0.0
RMC INFO	666.8	+12.3%	37.8%	+3.5
EUROPE 1	281.4	-18.8%	16.0%	-4.1
FRANCE INTER	80.1	+16.4%	4.5%	+0.6
MUSIC RADIO STATIONS FOR ADULTS	1,992.3	+9.4%	100.0%	
LES INDES RADIOS	811.6	+11.7%	40.7%	+0.9
RTL 2	302.6	+9.8%	15.2%	+0.1
NOSTALGIE	299.4	+12.8%	15.0%	+0.5
RFM	217.3	+1.5%	10.9%	-0.8
CHERIE	181.8	-3.7%	9.1%	-1.2
RIRE ET CHANSONS	81.7	-3.4%	4.1%	-0.5
M RADIO	52.1	+49.0%	2.6%	+0.7
NOVA	32.0	+51.9%	1.6%	+0.4
TSF JAZZ	13.8	+30.9%	0.7%	+0.1
MUSIC RADIO STATIONS FOR YOUNG PEOPLE	1,264.5	+5.7%	100.0%	
NRJ NATIONAL	663.1	+10.1%	52.4%	+2.1
FUN RADIO	254.4	+1.6%	20.1%	-0.8
VIRGIN RADIO	224.0	+1.5%	17.7%	-0.7
SKYROCK	122.9	-0.1%	9.7%	-0.6
OTHER	212.7	+13.3%	100.0%	
TOTAL EXCLUDING RADIO France	5,103.6	+5.9%		
TOTAL	5,232.4	+6.0%		

M6 GROUP RADIO MARKET POSITIONING AND STRATEGY IN 2019

RTL Radio implements a resolutely forward-looking strategy to consolidate its leadership within a digital world undergoing profound change. It was against this backdrop that the 3 stations (RTL, RTL2 and Fun Radio) moved their entire operations to Neuilly opposite the Group's headquarters, between December 2017 and March 2018, into a single and new modern complex housing all its teams.

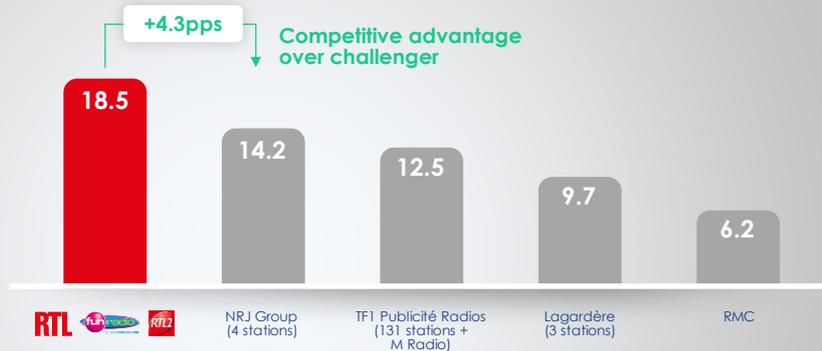
The integration of the Radio division began in 2018 with a new structure founded in particular on the introduction of united support functions between radio and M6 Group's other activities.

The population coverage of the division's different stations reached 113.7 million potential listeners and breaks down as follows:

- RTL: 52.4 million,
- Fun Radio: 32.1 million,
- RTL2: 29.2 million.

2. RADIO - AUDIENCE RATINGS
**RADIO DIVISION:
 LEADING PRIVATE
 RADIO GROUP**

AUDIENCE SHARE BY PRIVATE GROUP (%)



**Extension of Group's lead
 over the last 5 years**
 (2.8 pps in 2014 vs 4.3 pps today)



Source: Médiamétrie 126,000, Monday-Friday, 5 am-12am, 13+, audience share

In 2019, the RTL Radio Division (RTL, Fun Radio, RTL2), with a 18.5% audience share, confirmed its position as the leading private radio group in France. Its net advertising market share was estimated at 25.7% for 2019 as a whole.

RELEVANCE OF THE POSITIONING OF THE RADIO DIVISION'S STATIONS



12.3% audience share
 among the over 13s

N°1
 radio station in France
 (joint leader with France Inter)



3.4% audience share
 among the over 13s

N°2
 music station for the 25-49 age
 bracket



2.9% audience share
 among the over 13s

N°2
 Music station among upper
 socio-professionals



Source: Médiamétrie 126,000, FY 2019, Monday-Friday, 5 am-12am, audience share

RTL

The leader in France in terms of both audience share, at 12.6%, and listening time, at 2 hours 15 mins, RTL has approximately 6.5 million listeners RTL each day and has seen healthy momentum since September, with 363,000 new listeners during the last wave (November-December) and an increase of 43,000 over the full year. RTL is also the most popular commercial radio station amongst upper socio-professionals. The station's flagship programme, *Les Grosses Têtes* has been its most popular show since 1977. It recorded a 17.5% audience share over the last wave, twice as high as its nearest rival, and up 6% since September.

RTL continues to innovate and improve its schedule with, in particular, a breakfast show boosted by the Alba Ventura interview and Les Inattendus de Cyprien Cini and Thomas Sotto joining RTL Soir, surrounded by new talents such as Philippe Caverivière and Andréa Bescond.

The new programmes introduced this season have settled in and since September have shown very healthy momentum, successfully capturing new audience share: Caroline Dublanche helped improve the primetime slot with an year-on-year increase of 18% in audience share, *L'Heure du Crime* achieved a record audience share of 9.8%, representing an increase of 20% for the wave, and Yves Calvi's morning timeslot and *RTL Soir* both recorded growth. Moreover, Julien Courbet's programme, *Ca peut vous arriver*, remained leader during that timeslot.

RTL2

RTL2 is the Pop-Rock station, playing the biggest artists of the last four decades, including international giants Coldplay, U2, Muse and Imagine Dragons; as well as playing leading French artists such as Indochine, Julien Doré and Jean-Louis Aubert every day.

In 2019, RTL2 stayed true to its historical music positioning as well as to the musical expertise it provides to listeners and which has ensured its success for almost a quarter of a century.

Each morning, from 6am, RTL2 builds on its audience figures by providing a music based breakfast show that is fun and informative – *Le Double Espresso RTL2*. With 1,167,000 primetime listeners every day, in 2019 RTL2 recorded its highest audience figures since the programme was created four years ago.

RTL2's pop rock output also includes content-rich shows to embody its music-based format – from the artist Gaëtan Roussel to Francis Zégut, and including Eric Jean-Jean and journalist Stéphanie Renouvin, the leading pop rock experts are on RTL2.

RTL2 is also the station for live performances with the celebrated "*Concerts Très Très Privés RTL2*" in which just a few dozen lucky listeners, genuine VIPs per se, are able to come and see, and then meet, Angèle, James Blunt or M at rare and exclusive events.

RTL2 has a daily audience of almost 2.3 million listeners and is the 3rd most popular music station with 25-49 year olds and the 2nd ranked music station in the upper socio-professional category commercial target.

Over the past twelve months, RTL2 has recorded the highest growth out of the music stations in terms of audience share.

FUN RADIO

Since the beginning of the 2000s, Fun Radio has been broadcasting fun and entertaining shows aimed at 13 to 39 year olds, featuring the latest electro and dance music.

Fun Radio is the station for new electro and upbeat releases, with nine out of ten tracks played dating from the last 12 months. Tuning in to the station to hear the latest tracks from David Guetta and Dua Lipa to DJ Snake and then creating your own playlists is one of the top reasons people listen to Fun Radio.

Throughout the year, Fun Radio embodies its music format by organising numerous events all across France in areas where it broadcasts. The biggest electro show of the year in Paris, *Fun Radio Ibiza Expérience*, represents the culmination of this strategy. This event brings together the world's biggest electro DJs and a crowd of 15,000, who reserve and buy their tickets several weeks in advance, for a night to enjoy the experience to the full.

Fun Radio is also the station for programmes featuring famous faces with, during primetime, Bruno Guillon and his team for *Bruno dans la Radio* which has a daily audience of 1,464,000 listeners from 6 to 9am, as well as various phone in shows each evening aimed at younger listeners – *Marion et les garçons* and *Lovin'Fun*, with an actual doctor to advise listeners. Lastly, since September 2019, Fun Radio has been innovating with a new after school show, *Vacher Time*, broadcast between 4 and 7pm and featuring famous faces.

Over the course of last year, the station attracted almost 2.5 million listeners each day and is now the second most popular music station in France in the 25-49 age range.

1.4.3 Production and Audiovisual Rights

BUSINESS PRESENTATION



The Group's Production & Audiovisual Rights business operates in the production and audiovisual rights distribution markets throughout their operating cycle, primarily to the general public (cinemas, selling of physical and on-demand videos) and subsequently to professionals (distribution of the rights portfolio to nationwide free-to-air and pay channels and international distribution), in accordance with a cycle defined by media chronology which is provided in Section 1.3.3 of this document.

The division also includes the Group's television and online production activities.

This activity primarily addresses the need for M6 to provide the channels with quality content, whilst limiting the Group's reliance on the advertising market.

Within this division, M6 carries out film production and distribution activities. In order to consolidate its rank in the audiovisual rights environment and secure its access to more diverse content, M6 Group also owns a number of feature film rights catalogues:

M6 FILMS	For film production, M6 Films co-produces French and European films, and also manages the advance purchasing of broadcasting rights for the Group. This activity forms part of the obligations of all audiovisual groups to finance the French film industry using part of their advertising revenues. For M6, the investment requirement is that 3.2% of the channel's net revenue is to be reinvested in French and European film production.
M6 STUDIO	M6 Studio, created in 2003, is dedicated to the development and production of animated feature films and series. In 2006, the company thus produced the first and second series of the cartoon <i>Le Petit Nicolas</i> (52x13 minutes) and in 2014 the animated film <i>Asterix: The Mansion of the Gods</i> , followed in 2018 by <i>Asterix – The Secret of the Magic Potion</i> .
Société Nouvelle de Distribution	SND (Société Nouvelle de Distribution) is the flagship of M6 Group's audiovisual rights business, operating on all film distribution formats. SND's main activities are the acquisition, management and distribution of the licensing rights of audiovisual works (cinema, video, sale of rights to pay TV and free TV broadcasters and sale of rights internationally). ISND also operates its own feature film production business. SND also owns all the catalogue companies acquired by M6 Group (resulting from merger or takeover of the following companies: Mandarin acquired in 2002, SNC in 2005, Mandarin Films in 2006, Diem 2 in 2007, Hugo Films in 2008, Mandarin Cinéma in 2016 and Fidélité Films in 2017). It has a catalogue made up of both classic French and European films (more than 450 titles), and more recently released French feature films (<i>Chocolat</i> , <i>OSS 117 – Lost in Rio</i> , <i>Asterix and Obelix: God Save Britannia</i> , <i>Le petit Nicolas</i> , <i>Potiche</i> , etc.).

The Group's televised and web production activities are handled by three distinct production companies:

C. PRODUCTIONS	C. Productions mainly produces the M6 channel's news magazines such as Capital, Zone Interdite, Enquête Exclusive, 66 Minutes, as well as Enquêtes criminelles for W9.
STUDIO 89	Studio 89 produces a significant number of formats both for M6 and for other Group channels, including Top Chef, Cauchemar en cuisine for M6, as well as Enquête d'action and Les Princesses et les Princesses de l'Amour for W9 and Norbert, Commis d'office for 6ter.
GOLDEN NETWORK	Golden Network brings together the content production and broadcasting activities aimed at millennials. This digital production studio notably brings together the channels Golden Moustache and Rose Carpet, as well as the news media designed for the social media platforms Golden News, Golden Pop, Golden Food and WondHer.

These various shareholdings, which require recurring investment, enable M6 Group to benefit from a wide range of assets in an increasingly fragmented environment where access to quality content is ever more critical.

MARKET TRENDS AND GROUP POSITIONING

The general public markets of audiovisual rights operations are facing an increasingly digitalised and dematerialised environment, which goes hand-in-hand with a change in content viewing patterns.

THE CINEMA MARKET IN 2019

Cinemas continue to attract a wide audience. Cinemas continue to attract a wide audience, with 213.3 million admissions in 2019, the second highest level since 1966 (234.2 million) after 2011 (217.2 million). In comparison with 2018, they grew 6.0%, exceeding 200 million cinema-goers for the sixth consecutive year.

In 2019, France remained cinema's leading European market with the highest level of admissions, with the United Kingdom on 176 million, Germany on 119 million, Italy on 105 million and Spain on 104 million.

American films proved very successful in 2019, with 117.8 million admissions (up 32.7% in relation to 2018) and a market share of 55.2%. The ranking of the top American films was dominated by sequels and films des licences.

Admissions for French films fell 5.7% to 74.7 million in 2019. The market share of French movies was thus estimated at 35.0%, compared to 39.3% in 2018. Nevertheless, French production proved to be particularly dynamic and diversified in 2019, with 16 films exceeding admissions of one million (compared to 11 in 2018). Lastly, admissions for non-French and non-American films decreased by 37.3% to 20.9 million. Their market share was thus estimated at 9.8% in 2019, compared to 16.5% in 2018.

2019 distributor ranking*				
Ranking	Distributors	Number of films released in 2019	French box office*	Market share
1	Walt Disney Studios	12	47,238,852	22%
2	Warner Bros.	20	19,453,669	9%
3	Universal Pictures	25	16,435,858	8%
4	Sony Pictures	13	13,708,773	6%
5	Pathé Films	20	10,818,077	5%
6	UGC Distribution	12	9,911,496	5%
7	SND	12	9,005,735	4%
8	Gaumont Distribution	10	8,813,642	4%
9	20th Century Fox	11	8,546,405	4%
10	Metropolitan	24	7,126,241	3%

* Including continued screening of films released in 2018. Screenings between 01/01/2019 and 31/12/2019

Source: CBO Box-Office

With 12 film releases and the continuation of *Asterix – The Secret of the Magic Potion*, released on 5 December 2018, SND recorded 9.0 million cinema admissions in France in 2019. M6 Group's film distribution subsidiary was thus ranked as the 7th largest distributor in the market and the 3rd largest French distributor, notable overtaking Gaumont, 20th Century Fox, Paramount and StudioCanal.

Confirming its expertise, consistency and thorough understanding of the film market, SND is the only French distributor to have achieved five consecutive films achieving admissions of more than a million people in 2019:

- *Donne-moi des ailes*, an adventure film and environmental story by Nicolas Vanier, recorded 1.4 million admissions. It is the director's fifth "millionaire" film, with SND also releasing his next film in 2020.

- *Joyeuse retraite !*, *Tanguy Le retour* and *L'incroyable histoire du facteur Cheval* demonstrate SND's ability to achieve success with older audiences. The three films achieved respective admissions of 1.2 million, 1 million and 800,000.

- Conversely, aimed at younger viewers, *Inséparables*, starring Ahmed Sylla and Alban Ivanov, also recorded more than a million admissions. *After* (1.2 million) once again demonstrated SND's expertise in launching new franchises aimed at teenagers and young adults.

For its part, M6 Films had a particularly successful 2019, with more than 13 million admissions for its 11 feature films released in cinemas, including three distributed by SND, and its two follow-ups (*Asterix – The Secret of the Magic Potion* and *Mia and the White Lion*). Out of the 16 French films that achieved more than a million cinema admissions in 2019, M6 Films co-produced six, thus ranking as the leading free-to-air subsidiary in terms of the number of "millionaire" films. It was the partner of the second highest largest French success of the year, *Nous finirons ensemble*, which attracted almost 2.8 million cinema-goers. Lastly, in 2019 M6 Films financed four debut feature films (*Joyeuse retraite !* by Fabrice Bracq, *Playmobil: The Movie* by Lino Di Salvo, *Premier de la classe* by Stéphane Ben Lahcene and *Let's Dance* by Ladislav Chollat) and two follow-up films (*Inséparables* by Varante Soudjian and *Beaux-parents* by Hector Cabello Reyes), once again demonstrating its role in discovering new talents.

In total, the films that were distributed and/or financed by M6 Group recorded 15.9 million admissions in 2019.

Ranking of French films released in 2019			
Ranking	Film		French box office
1	Qu'est-ce qu'on a encore fait au bon Dieu		6,711,618
2	Nous finirons ensemble	Co-produced by M6 Films	2,800,004
3	Hors normes		2,271,152
4	Au nom de la Terre		1,975,325
5	Les Misérables		1,885,022
6	La vie scolaire		1,808,920
7	Nicky Larson et le parfum de Cupidon	Co-produced by M6 Films	1,684,404
8	Le chant du loup		1,546,226
9	J'accuse		1,512,261
10	Donne-moi des ailes	Produced and distributed by SND	1,436,402

Source: CBO Box-Office

THE VIDEO SALES MARKET IN 2019

In 2019, the French market for physical video (DVD and Blu-ray) amounted to €406.7 million, a decline of 9.3% compared with 2018. This decline was the result of both the 11.9% drop in DVD sales and the 2.5% fall in Blu-ray sales.

The physical video market was dominated by cinematographic works, which stood at €268.0 million in 2019, representing 65.9% of the total. Revenues from video releases fell 7.0% in relation to 2018. Lastly, the market share of French works out of all films sold in physical format held up at 20.1% in 2019.

Physical video format sales in 2019

	Units	Movements	Revenue	Movements
DVD	46.9 million	- 11.8%	€284.7 million	- 11.9%
Blu-ray	10.9 million	- 1.5%	€122.0 million	- 2.5%
TOTAL	57.8 million	- 10.0%	€406.7 million	- 9.3%

In 2019, SND maintained its position as a leading independent video publisher, with a physical media market share of 3.7% and 4.8% in digital. SND is also ranked as the leading French player in digital.

Bolstered by a catalogue of more than 1,000 films published under the M6 Video label, the video edition business has a substantial position in the market, as it operates in all physical distribution channels, (supermarkets, superstores, export, corporate, etc.). The distribution of VOD rights (TVOD, SVOD, EST, etc.) is in place across all French, Swiss and Belgian digital platforms (around 15 customer platforms including Orange, Swisscom, Proximus, Googleplay, Netflix and Amazon).

The catalogue is full of varied works, representing all genres and eras of film: from the epic Divergent to the Asterix franchise as well as some cinema greats (Renoir, Cocteau, Risi, Pasolini), from films premiered at Cannes like *The Square* and *Mademoiselle* to American blockbusters such as *Now You See Me 1* and *2* and recent hit films like *La La Land* and *Lion*.

The leading sellers in 2019 included *Asterix – The Secret of the Magic Potion*, *After*, *L'incroyable histoire du facteur Cheval* and *Tanguy Le retour*.

THE TV RIGHTS TRANSFER MARKET

The operating cycle of the rights portfolio continues with the sale of TV rights when pay or free-to-air TV time slots open up. Thanks to its significant and varied catalogue of cinematic works, SND provides its films to all French television channels (pay or free-to-air, both private and public). In 2019, viewers were able to discover or rediscover the following films: *Asterix and Obelix: God Save Britannia*, *Olympus Has Fallen*, *The Confession*, *Escobar*, *Evasion*, *Lion*, and *Neuilly, sa mère, sa mère*.

TV AND WEB PRODUCTION

C. PRODUCTIONS

C. Productions primarily produces news magazines for M6 (*Capital*, *Zone Interdite*, *Enquête Exclusive*, *66 Minutes*), W9 (*Enquête d'action*, *Enquêtes criminelles*, *État de Choc*), 6ter (*Les Vacances préférées des Français*, *Familles extraordinaires*) and Téva (*Les Dossiers de Téva*). C. Productions leverages its production capabilities both in-house and from more than 60 independent producers, specialising in documentaries and in-depth reporting.

In 2019, C. Productions provided 420 hours of programming for broadcast for all the Group's channels:

- 395 hours in primetime,
- 80 hours in access primetime,
- 118 hours in late evening,
- 72 hours in daytime.

M6's Sunday evening news magazines again performed very well this season, despite ever stiffer competition:

- In prime time, *Capital* posted further growth and recorded its best season in six years across all targets (11.4% amongst the over 4s and 18% amongst WRP<50);
- In the late evening, *Enquête Exclusive* posted a record year amongst the over 4s (13%) and WRP<50 (19%).

In addition, *66 Minutes* and *66 Minutes - Grand Format* broadcast during access primetime on Sundays confirmed their success and posted growth across all targets, making this the channel's most powerful access primetime programme (11% 4+)

Lastly, also on Sundays, the magazine *Turbo* recorded its best performance in 12 years and confirmed its status as the most watched car magazine amongst male viewers under the age of 50 (19%) and amongst the viewing public as a whole (10%).

STUDIO 89

Studio 89 Productions, an in-house flow programme unit develops and produces numerous reality TV, drama, entertainment and magazine programmes for all the Group's channels: *Objectif Top Chef*, *Top Chef*, *Cauchemar en cuisine*, *Chasseurs d'appart*, *Mariés au premier regard* (M6); *Les Princes de l'amour*, *Un dîner presque parfait* (W9); *Norbert Commis d'Office* (6ter), etc.

In 2019, Studio 89 produced 450 programmes for M6, W9 and 6ter.

With almost 400 hours of original programmes, Studio 89 underlined the enduring nature of its leading historical brands by achieving excellent audience figures, with in particular:

- Series 10 of *Top Chef*, which recorded its best season among both 4+ and WRP<50 in 6 years;
- *Mariés au premier regard* which, with an average 2.8 million viewers for the third season, proved to be very successful in the WRP<50 category with 23% (up 1 pp year on year).
- *Objectif Top Chef* which posted its second best season in the over 4s segment;

Alongside this production activity and against a backdrop of a shortage of formats on the market, Studio 89 continued to innovate by developing new and original programmes, which were broadcast in 2019 (*Incroyables Transformations*, *Mieux chez soi*) and will return in 2020.

GOLDEN NETWORK

Since 2017, the production and publishing activities for Millennials are brought together within a new entity, Golden Network, the Group's MCN (Multi Channel Network).

With more than 10 million subscribers to its media brands and 600 million videos viewed per month, Golden is the leading French content creation studio aimed at millennials and underlined its status as the French producer of entertainment for the new generation.

Golden's expertise extends from showing digital talents (Roxane, Mister V, EnjoyPhoenix, Horia, etc.) to producing dramas, shows and documentaries intended for platforms and television, and encompassing the creation of influential communities that cover all programme areas thanks to its leading media brands: Golden Moustache – the most well-known comedy based digital media amongst men under 25, Rose Carpet – the most popular women's media on Instagram, as well as Golden News, Golden Pop, Golden Food and Wondher.

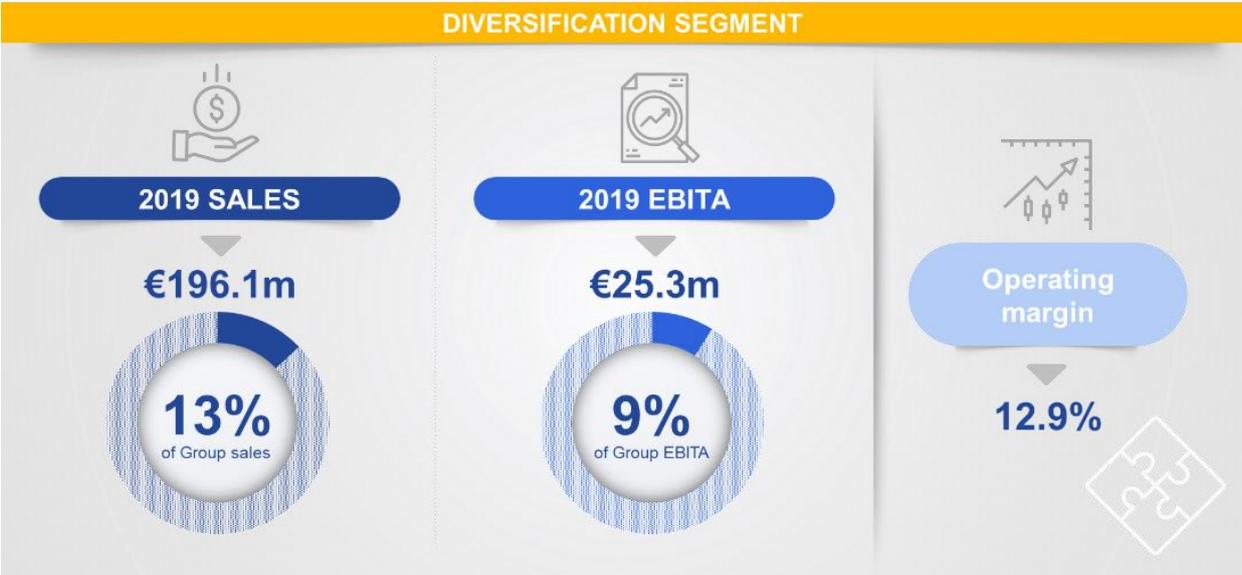
The TV production activity continued to expand in 2019, with the consolidation of leading brands for the Group ("Les 100 Vidéo" with Issa Doumbia on W9, the Téva Comedy Show) and significant development in drama, with two ongoing projects

for W9 in particular (“Escape”: 2 x 52 mins) and M6 (“Manipulation”: 2 x 52 mins), as well as several short series for Orange. In co-production with SND, Golden Productions is also developing two comedy projects for cinema release.

As such, in 2019 Golden Network produced 150 hours of TV programmes.

In addition, over the course of the year Golden Network joined forces with Facebook to create original programmes for Facebook Watch based on public figures and creators. Leveraging its expertise in creating content for millennials, its production savoir-faire and influential talents, Golden thus provided four formats of eight episodes, with each available on Facebook Watch and Golden Moustache’s Facebook page.

1.4.4 Diversification



M6 was one of the first TV channels to capitalise on its brands, its marketing expertise and its knowledge of the various audiences’ expectations to extend its offer to products and services and diversify its sources of revenue, and as such pursue several complementary objectives: setting up new growth drivers, seizing new development opportunities, lessening its dependence on the advertising market.

VENTADIS

BUSINESS PRESENTATION

M6 Group has built a diversification business using the power of its media to develop its market share in distance selling, particularly through the use of TV air time.

Ventadis, which allies teleshopping and e-commerce, is the name of M6 Group’s distance-selling business that combines stores specialising in selling niche goods.

The growth in distance-selling activities is linked to consumer spending, as well as to the change in purchasing behaviours with the development and generalisation of online purchase (e-commerce).

The Ventadis division is now comprised of two main activities, driven by the companies HSS and Best of TV:

- Home Shopping Service is the legal entity that oversees M6 Boutique, the morning show on M6, which has been on the air for more than 30 years: its business efficiency is based on clear demonstrations, specialist speakers, customer testimonials and strong special offers.

Since 2004, M6 Boutique La Chaîne, a channel dedicated to teleshopping available on cable, satellite and IPTV, has since 2004 allowed viewers to discover products from the worlds of fashion, jewellery, beauty, cookery, etc. Due to its expertise, Ventadis develops teleshopping formats on behalf of other broadcasters, such as W9, Paris Première and Téva, and also on behalf of foreign TV channels, in Belgium for example. This division also operates in the infomercial segment, which consists of short news programmes and films demonstrating products and how to use them.

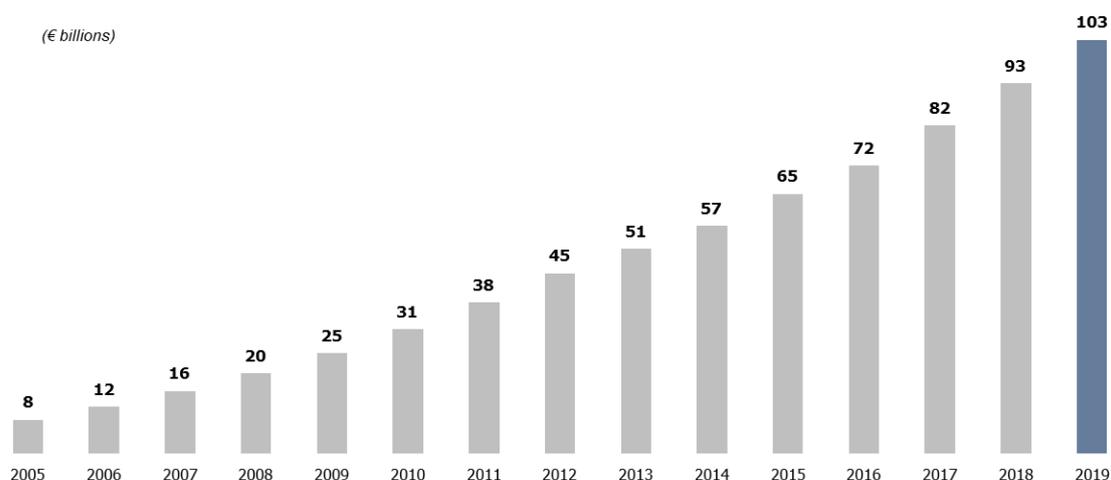
- Best of TV is an importer / wholesaler that has since 2008 offered exclusive home shopping products. Best of TV is 51% owned by Home Shopping Service.

MARKET TRENDS AND GROUP POSITIONING

Ventadis operates in a competitive market, in the presence of many players, including supermarket distribution players operating an internet portal, traditional media players that have developed a distance-selling offer and online players. Many of them implement an aggressive promotional policy to offset slower sales, at the expense of profit margins.

Online spending grew by 11.6% to €103.4 billion in 2019, driven by a growing volume of transactions. In this way, the market exceeded 1.7 billion transactions over the year, representing a 15.7% increase in relation to 2018. This trend was accompanied by a drop in the average basket, which fell under the threshold of €60, representing the lowest level ever recorded. Sales volumes achieved in online marketplaces also continued to grow (up 14%), reflecting the changing behaviour of online purchasers. Lastly, the online range continued to expand, with more than 190,000 online stores listed, a year-on-year increase of 15%.

Online sales growth in France since 2005



Source: Fevad

In this market environment, Home Shopping Service with the brand M6 Boutique continued in 2019 its multichannel dynamic within a still sluggish consumer environment in France. The Company confirmed its status as an online store with more than 65% of its sales generated through online mediums, primarily mobile, demonstrating M6 Boutique's modernity in its interactions with its customers.

Home shopping thus continued its transformation, and the commercial success of Compact Cook (all-in-one cooking appliance), with a dedicated website, enabling it to achieve its objectives.

Conversely, despite a promotional launch, the new brand for products publicised via social media, Léon's Corner, launched in April 2019, did not achieve its objectives and disbanded its operations at the end of the year.

After a difficult 2018, Best Of TV managed to post growth in 2019, within an environment that continued to be challenging in the Distribution sector (heavily impacted by social developments at the end of the year), and posted growth notably thanks to the commercial success of its new range of toys (*Magic Pad* and *Boxy Girl*).

INTERACTIONS

BUSINESS PRESENTATION

With the creation of M6 Interactions in 1992 and M6 Événements and M6 Éditions in 1997, M6 very quickly decided to invest into fields other than television by initiating new expertise in music publishing, events, shows and book publishing. M6 Interactions then integrated the similar activities of the Radio division by absorbing RTL Special Marketing and Parisonair.

This division is now broken down in 4 product lines:

- Music: production, co-production or co-distribution of short and long playing formats (singles and albums) and compilations on physical and digital formats;
- Events and shows: production, co-production and co-distribution of shows (plays, stand-up comedians, musical shows, concerts, etc.). ;
- Talents: Endorsement activity which develops the link between presenters and brands;

- Publishing and partnerships: own brand publishing or co-publishing of books, most of whose content relates to diversifications of the channel's flagship programmes.

MARKET TRENDS AND GROUP POSITIONING

For **Music** operations, 2019 was marked by the ongoing transformation of the market, which has been increasingly focused on digital for a number of years. The sales volume of the 200 best-selling physical titles in 2019 fell by 16% in relation to 2018 (8,036 K sales in 2019 vs. 9,606 K sales in 2018). Similarly, the gradual emergence of the "Urban" genre, which is mainly promoted on social media, and the arrival of young artists who self-produce by signing distribution agreements with labels, are likely to temporarily weaken partnerships between labels and media groups. Within this unfavourable environment, M6 Music Label successfully drew on its experience to adapt, reinvent itself and over-achieve by signing 25 co-distribution deals compared with 16 in 2018, including several major successes with Lomepal, Johnny Hallyday, Renaud, M, Clara Luciani, etc. In the field of co-productions, M6 Music Label remained successful, focusing on projects with high potential and discovering new talents, such as the signing of *Trois Cafés Gourmands* in the summer of 2018 which generated another 158 K sales in 2019.

In addition, the Kids United brands remained strong, even after four albums and three tours. The new generation of Kids released its second album (the fifth overall): *L'hymne de la vie*. Since the creation of this brand in co-production and partnership with Unicef, 2.1 million physical albums have been sold. The label also managed to use the synergies with M6 Group to sign some impressive B2B deals based on its success, such as that signed in late 2019 with Disneyland Paris for a partnership around Kids United.

2020 should also be marked by the release of the second album by Hoshi, whose debut co-produced in 2017 went platinum. 6 projects from M6 interactions Music activity were included in the 20 best-selling albums in France with 14 in the top 50, including 1 that was co-produced by M6 Music Label (the *Trois Cafés Gourmands* album).

2019 ranking of album sales in France ¹			
Ranking	Album		Number of albums sold
1	Angèle - <i>Brol</i>	Co-marketed by M6 Music Label	532,111
2	Nekfeu - <i>Les étoiles vagabondes: Expansion</i>		449,545
3	Johnny Hallyday - <i>Johnny</i>	Co-marketed by M6 Music Label	433,656
4	PNL - <i>Deux frères</i>		402,854
5	Ninho - <i>Destin</i>		379,843
6	Soprano - <i>Phoénix</i>		337,403
7	Lady Gaga - <i>A star is born Soundtrack</i>		298,808
8	Vitaa & Slimane - <i>Versus</i>		273,207
9	Lomepal - <i>Jeannine</i>	Co-marketed by M6 Music Label	263,459
10	Aya Nakamura - <i>Nakamura</i>	Co-marketed by M6 Music Label	247,093
11	Jean-Batiste Guegan - <i>Puisque c'est écrit</i>		243,772
12	Les Enfoirés - <i>2019 Le monde des Enfoirés</i>		238,722
13	Maître Gims - <i>Ceinture noire</i>		234,652
14	M.Pokora - <i>Pyramide</i>		234,636
15	J.Dutronc, J.Hallyday, E.Mitchell - <i>Les Vieilles Canailles: L'album Live</i>		233,843
16	Jul - <i>Rien 100 rien</i>		199,546
17	Renaud - <i>Les mômes et les enfants d'abord</i>	Co-marketed by M6 Music Label	175,560
18	Niska - <i>Mr Sal</i>		175,151
19	Trois Cafés Gourmands - <i>Un air de rien</i>	Co-produced by M6 Music Label	158,390
20	Kendji Girac - <i>Amigo</i>		153,699

Source: Source: 2018 ranking of album sales by GfK Consumer Choices France (physical sales + digital sales equivalent)

On the **Shows** side, 2019 was more difficult, with a lower number of Kids United tour dates in relation to previous years and the end of the performances of *Notre Dame de Paris*, although the success of the Bodins show, which attracted more than 279,000 spectators again this year, should be noted. The growth outlook, however, is encouraging, with in particular, the signing of tours by Matt Pokora and de Gims.

The teams from the **Talents** activity showed their creativity, providing new collaborative projects between animators and brands such as Karine Le Marchand with Airbnb, Julia Vignali and Norbert Tarayre with Santé Publique France (to raise awareness amongst women and their families of the different risks related to drinking during pregnancy), etc. Similarly, the year was also marked by the renewal of partnerships which are beginning to show staying power, including for example, Cristina Cordula with the brand Head & Shoulders, Mac Lesggy with Oral B and Norbert Tarayre with Leader Price.

Lastly, **M6 Éditions** once again decided to do something different and focus, in addition to high potential brands such as *Le Meilleur Pâtissier*, on projects other than those stemming exclusively from the M6 channel's flagship programmes. An Influencer Guide and a patisserie book, *Mercotte, mes pâtisseries oubliées* were thus published. In 2019, M6 Éditions also launched board games based on some of the M6 channel's programmes, including *Scènes de ménages* and *Maison à vendre*.

M6 CRÉATIONS

M6 Créations is the subsidiary that markets Special Campaigns for the sales house.

In this regard, it has been restructured around a customised offering in order to provide its customers with greater pooling between the Group's different media (TV, radio, digital).

M6 OPEN

Innovation and agility have always been in the DNA of M6 Group and its employees. To continue developing this culture, since 2018 M6 Group has a digital innovation and transformation programme: M6 Open. This programme covers 4 fundamental innovation tasks: Anticipate, Disseminate, Accelerate and Support.

ANTICIPATE

The Innovation team facilitates the anticipation and prioritisation tasks of teams and managers, through the implementation of active monitoring, refined and enhanced by regular exchanges with the technological and digital ecosystems. This regular monitoring allows the anticipation of market developments related to digital, as well as of disruptive technologies and best practices of the various French and international players.

DISSEMINATE

M6 Open nurtures the curiosity of the Group employees and managers through a variety of initiatives, from the deep involvement of the Executive Committee (monitoring committees, innovation seminars, learning field trips) to the daily decoding of digital news on the Company's social network, aimed at all employees.

The Group has also introduced an "Innovation Campus" which is simultaneously a place to discover the market's innovations (voice assistants, augmented reality) the Group's innovations (6play innovations across all box operators on the market. But it is also a place of open-mindedness, creativity and learning.

ACCELERATE

M6 Open promotes experimentation in its Innovation Lab. The lab, alongside teams from the Group's various entities, identifies their unresolved sticking points and points of friction and implements the technological bases for their resolution. The Lab employs accelerated creativity and development techniques such as design thinking, lean and the Agile method. An open innovation cell, embedded in the start-up world, identifies and qualifies online start-ups with great potential for collaboration with M6 Group, whether they are B2B performance optimisation services or technological services specific to the different businesses.

SUPPORT

In order to firmly root this vision into the Group's culture, the sharing, training and career development of employees are at the heart of this system. M6 Open, in close collaboration with Human Resources, has rolled out a training path dedicated to the innovation culture. It is comprised of practical workshops, training of employees by employees and events to introduce innovation: meeting founders of start-ups, presentation forum for innovative in-house digital projects and an innovation week.

M6 DIGITAL SERVICES

BUSINESS PRESENTATION

M6 Digital Services (formerly M6 Web) groups together M6 Group's theme based portals and technological services.

The editorial content of these websites is based on inclusive themes: cookery (CuisineAZ.com), home (Déco.fr), cars (Turbo.fr), well-being (Fourchette-et-Bikini.fr), good deals (Radins.com), cash back (iGraal.com), health (PasseportSanté.net) and Weather (meteocity.com).

The range of technological services, intended for businesses, is made up of email hosting and forwarding solutions.

This division derives the majority of its revenues from advertising, pay-per-click income, transactions with consumers and B2B services.

MARKET TRENDS

Note that in 2017, communications regulator ARCEP approved neutral access to the Internet for all French people.

In 2019, the growth in digital habits slowed, with the proportion of Internet users falling for the first time, to 88% of the French population (down 1 point). Without assuming the beginning of a decline in the French population's connectivity, several signs nevertheless tend to show a stabilisation in Internet access – daily usage fell two points (to 78%), while fixed Internet connection at home remained at the same level as the previous year (86%). This unprecedented development shows the digital maturity of French society, within which Internet usage has become widespread.

Moreover, habits are becoming increasingly mobile. Now a majority (51%, up 5 points in relation to 2018) of people prefer to connect to the Internet via smartphone (against 31% doing so via computer).

GROUP POSITIONING

With 9 million unique visitors per month, **CuisineAZ.com** is the second largest cookery site in France and its audience grew 20% in 2019. CuisineAZ provides 80,000 recipes covering every type of diet and is adapting its range of content as environmental awareness increases and culinary habits change.

PasseportSanté.net consolidated its position as the leading Health and Wellbeing site, with 8.7 million unique monthly visitors at the end of 2019. Its audience grew sharply over the year just ended, increasing by 30%. The site is pursuing its ambition to become the "go-to health website" for French people within the next five years, by focusing on the development of free health services that satisfy the needs of users.

With an average of 2 million visitors per month, **Fourchette-et-Bikini.fr** confirmed its position with the female audience thanks to the diversity of its subject matter. On social media, the brand grew, with 235,000 followers on Instagram and 3 million Facebook fans. In 2019, the site reaffirmed its editorial offer with a clear stance: “*Happy in Body, Happy in Mind*”. The slimming programme Croq’Kilos also continued to improve the quality of its range and to develop its qualified audience. A sports training service, Croq’Body, was also launched at the end of the year.

M6meteo.fr is the fifth largest French site in news and weather, with an average 1.4 million unique visitors each month, including 2.5 million visits a month over the summer. The diversity of the daily services available on the site and newsletters are assets that help it reach a wide audience and make it a habit for visitors.

With an average 1.2 million unique visitors each month, **Déco.fr** was the third largest French Home & Garden site in 2019. Since Déco’s media refocusing, advice, articles and tutorials guide each visitor backed by a strong commitment – to inspire and help them live better in their own home.

In 2019, **iGraal** consolidated its leadership in the cashback sector in France and confirmed its second-place ranking in Germany. The site, which again experienced strong growth, with a 1.4 million increase in the number of registered users, now brings together a community of more than 6 million members. Over the course of the year, iGraal also integrated the **Radins.com** activity (the Group’s promo code site), to become the leading online discount player, building on privileged partnerships with the leading online retailers, as well as extensive digital acquisition expertise and cutting edge technology.

At the end of the year, the Group also announced that it had entered exclusive negotiations with the German Global Savings Group, with a view to a combination merger with iGraal. The transaction would value iGraal at €123.5 million.

MOBILE TELEPHONY

BUSINESS PRESENTATION

M6 Web managed the “M6 mobile by Orange” licence concluded with the Orange phone operator.

In May 2016, Orange and M6 Group jointly decided to gradually transfer M6 mobile by Orange subscribers to equivalent Orange packages by 30 June 2019.

GROUP POSITIONING

Launched in 2005, the M6 Mobile by Orange service was the result of the alliance of the expertise and strength of the Orange and M6 brands, the strategy of which was to specifically use its marketing power to generate additional revenues.

Until 30 June 2019, M6 Mobile by Orange customers therefore kept their services as well as all the related benefits, such as the management of the customer community by M6 Group, until their transfer.

M6 Group continued to receive a payment in H1 2019 for coordinating both the subscriber base and the brand licence, which contributed to the Group’s operating profit. It was the last half-year in which the M6 mobile by Orange contributed financially, the contract with the telecoms operator having come to an end on 30 June 2019.

1.4.5 Property assets

M6 Group occupies several buildings, the largest of which (those located in Neuilly-sur-Seine) are detailed below:

Location	Surface area	
89 avenue Charles de Gaulle	9,500m ²	Owner
107 avenue Charles de Gaulle	5,000m ²	Owner
56 avenue Charles de Gaulle	8,200m ²	Tenant
114 avenue Charles de Gaulle	3,200m ²	Tenant
46 rue Jacques Dulud	3,700m ²	Owner

1.5 OUTLOOK AND STRATEGIC DIRECTION



M6 Group, which has always made content the focal point of its strategy, will pursue its development in 2020 by relying on its multimedia TV, Radio, Digital strength, now consolidated by Gulli, the leading children’s channel.

Thanks to its creative internal resources and its unique power to attract all external creative partners (authors, journalists, production companies, presenters, etc.), it has an unrivalled ability to reach French audiences via powerful, innovative and leading mainstream media.

In 2019, the Group’s three historical free-to-air channels (M6, W9 and 6ter), accounted for 21.3% of the audience on the commercial target and also enjoyed huge access and strong growth in their on-demand consumption on the 6play platform. This strength will be reinforced in 2020 by the consolidation of Gulli’s audiences. For its part, the Radio division, made up of the three stations RTL, RTL2 and Fun Radio, once again underlined its position as the leading private group.

These combined powers enable the Group to boost its overall positions on the French media and advertising markets.

Furthermore, this scale effect enables the Group to invest in technologies and platforms that benefit all of the channels, by significantly boosting their audiences. The launch of the shared distribution platform Salto with other broadcasting partners was approved by the Competition Authority and is scheduled for 2020.

This increase in content and therefore of the audiences will directly benefit advertiser customers, who find in M6 Group a powerful media partner that has extremely wide coverage, and premium and secure broadcast platforms.

Aside from its core businesses as a publisher of audiovisual content, M6 Group will continue to develop its non-advertising revenues, in order to achieve a balanced revenue model via these diversification measures, and to innovate in fast-growing sectors. To do so, the Group specifically owns a unique portfolio of brands and know-how, which enables it to investigate new territories, such as the remarkable success encountered by the Stéphane Plaza Immobilier estate agency franchise, which had signed more than 500 agencies at 31 December 2019.

Regulatory changes – notably those linked with targeted advertising – are positive elements for the years to come, which should consolidate and stimulate the consumption of the Group’s customers.

However, in keeping with its financial discipline, the Group intends to pursue its strict cost control, as was the case with the first successful phase of implementing synergies between the radio and TV activities, in order to further improve its profitability.

1.5.1 Television

2020 will be marked by the significant strengthening of the TV firepower of M6 Group through the integration of the children’s and special interest channels acquired from Lagardère Group in September 2019. The success of the integration launched in the fourth quarter of 2019 will reinforce its overall positioning on the French media market, notably thanks to:

- An audiovisual range aimed at the whole family;
- A fourth free-to-air DTT channel;

- The strength of the Gulli brand, particularly in on-demand (catch-up and SVOD);
- International exposure.

From an editorial standpoint, in 2020 the Group pursue its strategy based on consolidation of its audiences on the commercial target, ever greater synergies between its channels (notably thanks to the acquisition of Gulli) and increasing the strength of the programme brands; it will continue the effort initiated by the channels regarding the acquisition and development of unmissable events and local content that pulls in viewers:

- M6, driven by the excellent performances of its leading entertainment brands (*L'Amour est dans le pré*, *Top Chef*, *Pékin Express*, etc.), a record year for its news brands (*Capital*, *Enquête Exclusive*, etc.), access primetime shows that remain popular (*Scènes de Ménages*, *En Famille*, etc.) and a range rich in event driven evenings (notably through the broadcast of the upcoming UEFA EURO 2020 championships and final), aims to reinforce its status as the second largest national channel on the commercial target;
- W9, building on the strongest range of magazines on DTT (*Enquêtes Criminelles*, *Minute par Minute*, etc.), top reality TV shows (*Les Marseillais*, *Moundir et les apprentis aventuriers*, etc.) and a schedule full of event driven evenings (French women's football team's matches, etc.), intends to consolidate its position as the second largest DTT channel in the WRP<50 category in 2020;
- Following an historic 2019 for audience figures in the 4+ and WRP<50 categories, 6ter aims to continue its growth amongst DTT channels. It will in particular capitalise on its unmissable access primetime programme *Les Mamans*, a powerful film line-up and established magazine shows (*Vive le camping*, *Familles extraordinaires*, etc.), aimed at the whole family;
- Gulli, thanks to strong daytime brands (*Bienvenue chez les Loud*, *Kally's Mashup*, etc.), popular cartoons and successful event driven programmes (*Tahiti Quest*), will seek to reinforce its status as the leading children's channel during the day;
- Paris Première and Téva, still leaders in their respective fields, will both continue to strive for inclusion in the top three most viewed pay-TV channels.
- Concerning digital the Group will continue the ambitious development of its own, exclusive digital range, to satisfy the new on-demand viewing habits. 6play, whose performance continues to develop and make a significant contribution to the Group's consolidated audiences, will pursue its efforts to develop its catalogue, notably to enhance its appeal to advertisers.

After receiving approval from the Competition Authority in August 2019, 2020 will also see the launch of Salto. The shared pay platform of the M6, France Télévisions and TF1 groups will offer users their entire range of programmes, both current and new.

1.5.2 Radio

In 2020, the Group intends to capitalise on the healthy momentum of the 3 stations of the Radio division, which in 2019 consolidated its position as the leading private group, achieving an audience share of 18.5%:

- The main station, RTL, intends more than ever to consolidate its status as the leading radio station in France. As such, RTL aims to consolidate its leadership across major audience indicators, by continuing to attract listeners across its entire schedule;
- The music stations Fun Radio and RTL2 also continue to contribute to the Group's audience figures.
- The Radio division will continue to support new trends with the production of new original podcasts by the production studio "RTL Originals".

Thanks to the synergies already implemented over the last two years with M6 Group's operations, the division has already improved its profitability in line with the targets set. The three stations will pursue these initiatives that have been undertaken, both in terms of costs and revenues, in order to further continue this trend.

1.5.3 Other activities

Building on its brands and content, M6 Group has progressively expanded its activities through targeted diversifications and innovative offerings to drive non-TV growth, enabling it to strengthen the momentum of its traditional activity.

These many diversifications now involve business sectors as diverse as content production and acquisition, digital and e-commerce, as well as film, music and entertainment.

Linked with its core business, M6 Group has structured a production activity (C Productions, Studio 89, Golden Network, M6 Studio, M6 Films) as well as an audiovisual rights activity (SND) enabling it to position itself high up the value chain, improve Group access to more secure and diverse premium content and generate revenues that are not dependent on the advertising market. In 2020, the Group plans to continue developing its media strength and editorial expertise.

For the activities not directly related to the Group's channels, 2019 offered the opportunity to make adjustments to the Group's portfolio, with in particular the combination of its subsidiary iGraal, the French leader in cashback, with Global Savings Group, a global leader in digital marketing (completion of the transaction expected in early 2020) as well as various shareholdings and partnerships (Wild Buzz Agency, Miliboo).

In 2020, M6 Group wants to continue its strategy of expanding its diversification activities.

1.5.4 Significant post-balance sheet events

To the best of the Company's knowledge, no significant event that occurred since 1 January 2020 is likely to have, or to have had in the recent past, a significant impact on the Company and the Group's financial position, financial performance, activities and assets.

1.6 LEGAL AND REGULATORY ENVIRONMENT

By virtue of its corporate purpose and status as an operator of free-to-air television and radio broadcasting licences, the Company is governed by a specific legal and regulatory regime which applies in addition to ordinary provisions. This legal environment is detailed below:

1.6.1 Shareholding structure

Under the terms of Article 39 of Law n°86-1067 of 30 September 1986, as amended, no individual or entity, acting alone or in concert, shall hold, directly or indirectly, more than 49% of the capital or voting rights of a company licensed to operate a national television service by terrestrial transmission.

This provision limits the scope of the 49% rule to those terrestrial channels with an average annual audience (terrestrial, cable and satellite combined) in excess of 8% of the total television audience.

Under the terms of Article 40 of Law n°86-1067 of 30 September 1986, as amended, no individual or entity of foreign nationality shall purchase an interest leading to foreign nationals holding, directly or indirectly, more than 20% of the capital of a company licensed to operate a national television or radio service by terrestrial transmission (subject to the international commitments of France, excluding notably European community or European economic area nationals).

Under the terms of Article 41 of Law n° 86-1067 of 30 September 1986, no individual or entity may only, on the basis of authorisations relating to the use of frequencies that it holds for the terrestrial analogue broadcast of one or more radio services, or by the means of a programme that it provides to other holders of terrestrial analogue licences, operate in law or in fact, several networks inasmuch as the total population recorded in the areas served by these different networks does not exceed 150 million inhabitants.

1.6.2 Authorisations to use free-to-air frequencies

TELEVISION

M6

M6 is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for a duration of ten years from 1 March 1987 under the licensing regime set forth by Article 30 of the amended Law of 30 September 1986 on Freedom of Communication.

As a network which is financed almost exclusively by advertising, it is subject to the general requirements of this legal classification and to the special terms and conditions of its broadcasting licence.

This initial licence was extended on 5 April 2016 as part of the widespread roll-out of HD, the M6 channel also having a licence to broadcast in High Definition, effective since 31 October 2008 for a period of ten years. In a decision dated 27 July 2017, the Conseil Supérieur de l'Audiovisuel decided to renew this authorisation without a tendering process, under the conditions provided for in Article 28-1 of the Law of 30 September 1986, for a term of 5 years ending 5 May 2023.

W9

W9 is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for a duration of ten years from 10 June 2003 (tendering process of 24 July 2001) under the licensing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication. W9 was launched on 31 March 2005.

W9's broadcasting licence was renewed for five years, i.e. until 2020, pursuant to Article 97 of the above-mentioned Law, in return for extending its effective coverage of Mainland France to 95%. This also requires that at least 91% of every district be covered.

Via a decision dated 7 October 2015, the CSA authorised W9 to broadcast in high definition (HD). The channel's transition to HD took place on 5 April 2016.

In a decision dated 25 July 2018, the Conseil Supérieur de l'Audiovisuel decided to order the renewal of W9's authorisation without a tendering process, under the conditions provided for in Article 28-1 of the Law of 30 September 1986. Having heard the representatives of the channel, on 29 May 2019 the Conseil decided to renew its authorisation for a term of 5 years ending on 28 February 2025.

6TER

6ter is a privately owned free-to-air terrestrial high definition TV network which was initially licensed on 3 July 2012 (call for tenders of 18 October 2011) to broadcast for a duration of ten years from 12 December 2012 (until 2022) under the licencing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication.

GULLI

Gulli is a privately owned free-to-air terrestrial TV network which was initially licensed to broadcast for a duration of ten years from 19 July 2005 (tendering process of 14 December 2004) under the licensing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication. Gulli was launched on 18 November 2005.

Its broadcasting licence was renewed for five years, i.e. until 2020, pursuant to Article 97 of the above-mentioned Law. Subsequently, via a decision dated 18 November 2015, the CSA authorised Gulli to broadcast in high definition (HD). The channel's transition to HD took place on 5 April 2016.

In a decision dated 27 February 2019, the Conseil Supérieur de l'Audiovisuel decided to order the renewal of Gulli's authorisation without a tendering process, under the conditions provided for in Article 28-1 of the Law of 30 September 1986. Having heard the representatives of Gulli, the Conseil decided to renew its authorisation until 31 August 2025 (decision dated 10 July 2019 modified by a decision dated 11 December 2019).

PARIS PREMIÈRE

M6 Group also holds a digital terrestrial television licence for the pay channel Paris Première. Its initial authorisation for 10 years, by ruling dated 10 June 2003 (tendering process of 24 July 2001), was extended to 2020.

In a decision dated 25 July 2018, the Conseil Supérieur de l'Audiovisuel decided to order the renewal of Paris Première's authorisation without a tendering process, under the conditions provided for in Article 28-1 of the Law of 30 September 1986. Having heard the representatives of the channel, on 29 May 2019 the Conseil decided to renew its authorisation until 28 February 2025.

RADIO

At 31 December 2019, the three radio services controlled by the Group, RTL, RTL 2 and Fun Radio, held 710 broadcasting licences in France. The renewal periods are as follows:

Renewal periods			
Under one year	Between 1 and 5 years	Over 5 years	Total number of broadcasting licences
22	687	1	710

RTL

The RTL radio service was originally created under the name Radio-Luxembourg in Luxembourg in 1933. Since then, it became one of the leading general interest stations in France when FM radio was launched in France.

RTL is broadcast:

- in long wave from Luxembourg. A franchise for a Luxembourg broadcasting programme with international reach called RTL was granted by the Government of the Grand Duchy of Luxembourg to the company CLT-UFA;

- in frequency modulation (FM) from France: RTL is a category E radio service, i.e. a general interest and national service whose programmes, covering a wide range of content and genres, attach a lot of importance to providing news.

The company that currently holds FM licences for the RTL service is RTL France Radio SAS. RTL France Radio is the holder of an agreement concluded on 20 July 2017 with the CSA.

By a decision dated 25 July 2018, the Conseil Supérieur de l'Audiovisuel launched a call for applications for the production of digital terrestrial multiplexed radio services (DAB+). Within this framework, M6 Group submitted applications for the three radio stations in order to have coverage to broadcast their programmes across all mainland France. On 6 March 2019, the Conseil decided to select 24 services, including RTL, Fun Radio and RTL2. The three stations appointed the company Mux-M1 as operator of their multiplex. The latter was authorised by the Conseil to use a radio resource for the multiplexing of radio programmes via digital terrestrial transmission, in a decision dated 18 December 2019.

RTL2

RTL2 is a music radio service. This service was formerly called M40 prior to its acquisition by the Compagnie Luxembourgeoise de Télédiffusion (CLT) in 1995. RTL2 is a radio service broadcast in frequency modulation. It is broadcast using category D and category C licences:

- the category D licences – thematic national services – are held by the company SODERA (a 99.99% subsidiary of Métropole Télévision) which is the holder of an agreement concluded with the CSA dated 2 October 2012;

- the category C licences – national services with local programming – are held by subsidiaries fully owned by SODERA (FM Graffiti, Média Stratégie, Radio Golfe, and Radio Porte Sud). These companies each hold agreements with the CSA.

As specified above, on 6 March 2019 RTL2 was selected by the Conseil Supérieur de l'Audiovisuel as part of the DAB+ tendering process for mainland France.

FUN RADIO

Fun Radio is a music radio service created in 1985. As with RTL2, Fun Radio is a category C and D service, broadcast in modulation frequency:

- the category D licences are held by the company SERC (subsidiary 99.99% owned by Métropole Télévision) which holds an agreement concluded with the CSA dated 2 October 2012;

- the category C licences are held by subsidiaries of SERC (Canal Star, Gigasud, Communication A2B and SPRGB, all fully owned by SERC; Musique Nancy FM is 51% owned by SERC). These companies each hold agreements with the CSA.

As specified above, on 6 March 2019 Fun Radio was selected by the Conseil Supérieur de l'Audiovisuel as part of the DAB+ tendering process for mainland France.

1.6.3 Investment obligations in the production of audiovisual and cinematographic works and broadcasting

TELEVISION

The channels' investment obligations in audiovisual and cinema productions, as well as their broadcasting obligations are defined by Decree No. 2010-747 of 2 July 2010, known as the "Production" decree, Decree No. 90-66 of 17 January 1990, as amended, known as the "Broadcasting" decree, and agreements signed with the Conseil Supérieur de l'Audiovisuel.

PROVISIONS APPLICABLE TO ALL CHANNELS

The agreement of 2 February 2017 concluded by the Group with producers enables the channels to pool their production obligations. The Group's obligations thus result from the sum of each of the channel's specific obligations, calculated according to their respective reference base and the rates corresponding to each obligation. But compliance with the requirements is assessed in reference to the overall investments made by the Group.

PROVISIONS APPLICABLE TO M6

The M6 channel's regime for obligations in 2019 was as follows:

Audiovisual production

- Invest 15% of net annual revenue for the previous year in the production of European audiovisual works or original French language works, at least 10.75% of which must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other

than a newscast or entertainment programme, music videos and broadcasting or re-enactment of live shows. The allowance ratio of heritage production can vary between 10.5% and 11% depending on the growth in the channel's revenues.

- European works which are not original French language works must be eligible for the industry's support programmes. French language heritage works represent at least 90% of the contribution to heritage works.
- 10% of revenue must be invested in productions deemed independent. An 8% share of this requirement is devoted to spending to help develop the production of audiovisual heritage works.
- 75% of investments in audiovisual production must be invested in European works or in new original French language works.
- At least 1% of the previous year's net annual revenue must be invested in the production of original French language and European animation works, of which 0.67% must be invested in works produced by independent producers as defined above. Investments in animation works which are not specifically directed at children may be included in this.

Film production

- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, of which 75% must be dedicated to cinematographic works that are independently produced.

Broadcasting obligations

- To annually broadcast 120 hours of European works or of new original French language works with a starting broadcast time of between 8pm and 9.30pm.
- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6pm and 11pm every day and between 2pm and 6pm on Wednesdays.
- To broadcast no more than 192 cinematographic works during the year, of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works.
- All airtime is devoted to programmes in true high definition, with the exception of heritage works, rebroadcasts and archives.

Musical programming obligations

- Broadcast a minimum of 20% of musical programming per 24-hour period, in particular between 4pm and midnight;
- At least 50% of the music broadcast during these programmes must be original French work;
- Prebuy and broadcast 100 music videos dedicated to French language artists, of which 70 music videos dedicated to new talent;
- Invest €19 million in music programmes, with this obligation shared at Group level.
- Each year reserve a minimum of twelve early primetime periods, on M6 or W9, for music programmes each lasting a minimum of 90 minutes whose broadcast begins between 8.30 and 9.30pm. Out of these 12 early primetime periods, at least 4 must be broadcast on M6. However, they must not include the following genres: music documentary, non-European music-based audiovisual drama, music-based talent show.

PROVISIONS APPLICABLE TO W9

The W9 channel's regime for obligations in 2019 was as follows:

Audiovisual production

- Invest 15% of net revenue of the previous year in the production of European audiovisual works or original French language works, including at least 8.5% of net annual revenue must be invested in heritage works which are defined as works relating to the following categories: drama, animation, creative documentaries, including those which are broadcast within a programme other than a newscast or entertainment programme, music videos and broadcasting or re-enactment of live shows.
- European works which are not original French language works may not account for more than 20% of the overall obligation and more than 20% of investment in heritage films. This requirement applies as long as net revenue for the previous year does not exceed €100 million.
- 70% of the overall obligation and 75% of investment in heritage work must be devoted to productions deemed independent.
- 25% of the contribution to audiovisual production must be invested in European works or in new original French language works (investment in feature-length drama, music videos and animation are excluded).
- Dedicate at least 5% of net annual revenue of the previous year to original French language or European music.

Film production

- To invest at least 3.2% of its annual revenue in the development of the production of European cinematographic works, of which 2.5% must be dedicated to the development of original French language cinematographic works, including 30% of original work,
- 75% invested in pre-purchase or co-production must be dedicated to cinematographic works that are independently produced.

Broadcasting obligations

- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6.30am and 9am and between 6pm and 11pm.
- To broadcast no more than 192 cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works (8.30pm – 10.30pm).
- Devote the entire transmission time, between 4pm and midnight, to programmes in genuine high definition.

Musical programming obligations

W9's agreement stipulates that:

- music represents the main type of programming with a minimum annual volume of 3,300 hours.
- W9's programming is open to diverse types of music and includes the broadcasting of at least 52 live shows per year. At least 20% of music videos broadcast by the channel are dedicated to new talents singing in French.
- Each year, a minimum of 12 early primetime periods, on M6 or W9, are reserved for music programmes each lasting a minimum of 90 minutes whose broadcast begins between 8.30pm and 9.30pm. Out of these 12 early primetime periods, at least 8 are broadcast on W9.
- W9 further offers at least additional 12 music programmes lasting a minimum of 90 minutes and whose broadcast begins between 8.30pm and 9.30pm. At least 4 of them will be new to authorised or agreed television services and place specific emphasis on new music genres. These four programmes must not include the following genres: music documentary, non-European music-based audiovisual drama and music-based talent show.

PROVISIONS APPLICABLE TO 6TER

The 6ter channel's regime for obligations in 2019 was as follows:

Film production and audiovisual obligations

- Invest 15% of net annual revenue in the production of audiovisual works and 9% in heritage works,
- Dedicate at least 3.2% of net annual revenue to the development of European cinematographic works, of which 2.5% to original French language works.
- Dedicate at least 1% of net annual revenue to the production of European or original French language animation.

Broadcasting obligations

- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6.30am and 9am and between 6pm and 11pm.
- To devote at least 60% of total transmission time to magazine and documentary programmes on the one hand and to drama on the other, with an equal balance between the two;
- To broadcast no more than 192 cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works (8.30pm – 10.30pm).
- Devote the entire transmission time, between 4pm and midnight, to programmes in genuine high definition.
- Propose a minimum volume of 400 hours of original, unscrambled programming.

Discovery programme obligations

- To broadcast a minimum of 100 hours of programmes dedicated to discovery, made up of magazines, game shows, documentaries, drama and animation.

PROVISIONS APPLICABLE TO GULLI

The Gulli channel's regime for obligations in 2019 was as follows:

Film production and audiovisual obligations

- Invest 15% of net annual revenue in the production of audiovisual works and 10% in heritage works,
- Dedicate at least 3.2% of net annual revenue to the development of European cinematographic works, of which 2.5% to original French language works. 75% of this expenditure should relate to independent production.
- Dedicate at least 10% of its revenue to the production of original French language animation works covering independent production.

Broadcasting obligations

- Dedicate at least 20% of airtime each year to audiovisual works.

- In any 24-hour period, a minimum of 40% of audiovisual works broadcast must be original French language, and 60% must be European, and the same requirements apply to peak viewing periods between 6.30am and 9am and between 5.30pm and 8pm.
- To broadcast no more than 192 cinematographic works during the year of which 144 hours must be during peak viewing period from 8.30pm to 10.30pm. Cinematographic works must comply with the broadcasting quotas throughout the day and for peak viewing hours, i.e. 60% of European work and 40% of original French language works (8.30pm – 10.30pm).
- Devote the entire transmission time, between 4pm and midnight, to programmes in genuine high definition.
- Between 6am and midnight schedule an annual minimum of 1,930 hours of original French language animated, audiovisual or cinematographic works, including a minimum of 1,520 hours broadcast between 6am and 7pm.
- Broadcast at least 100 programmes annually aimed at parents.

Discovery programme obligations

- Reserve a minimum of 300 hours airtime annually between 6.30am and 11pm to educational programmes, with the volume of cartoons within this obligation not able to exceed 100 hours. In respect of educational programmes, the broadcaster undertakes to broadcast programmes to raise environmental awareness.

RADIO

PROVISIONS APPLICABLE TO RTL

The RTL radio station's regime for obligations in 2019 was as follows:

Percentage of airtime devoted to news:

Broadcast an annual average of 10 hours of daily news programming, between 5am and 1am including advertising. The service can however, depending on current events, devote a larger portion of its programming to news.

Provisions relating to the broadcast of French language songs

- At least 45% of all songs broadcast monthly, between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm at the weekends, are French language or sung in a regional language in use in France.
- Songs in the French language or sung in a regional language in use in France by new talents or from new productions account for at least 20% of the total number of songs broadcast between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm on Saturday and Sunday.

PROVISIONS APPLICABLE TO RTL2

The RTL 2 radio station's regime for obligations in 2019 was as follows:

Programmes specific to the Paris area

- Broadcast news or local topics specific to the Paris area between 7am and 1.30pm, Monday to Sunday.

Provisions relating to the broadcast of French language songs

- At least 40% of all songs broadcast monthly, between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm at the weekends, are in the French language.
- Songs in the French language by new talents or from new productions account for at least 20% of the total number of songs broadcast between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm on Saturday and Sunday.

Music programming

- The service's programming must include a minimum of 200 music titles.
- The percentage of "Gold" titles (titles over three years old) within the music schedule is between 40% and 70%. "Gold" titles come from the 80s, 90s, 2000s and 2010s.
- The percentage of new titles (titles under 12 months old) within the music schedule is between 20% and 50%.

PROVISIONS APPLICABLE TO FUN RADIO

The RTL 2 radio station's regime for obligations in 2019 was as follows:

Programmes specific to the Paris area

- Broadcast news or local topics specific to the Paris area between 6am and 9am, Monday to Sunday.

Provisions relating to the broadcast of French language songs

- At least 35% of all songs broadcast monthly, between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm at the weekends, are in the French language. Since 1 September 2018, the level of this obligation fell to 30% in consideration for quantitative commitments and commitments related to the original nature of its scheduling.^[SEP] This adjustment was made possible by the CSA's ruling dated 25 April 2018 and the authorisation was granted to SERC by an amendment to its agreement dated 13 August 2018.
- Songs in the French language by new talents account for at least 25% of the total number of songs broadcast between 6.30am and 10.30pm from Monday to Friday and between 8am and 10.30pm on Saturday and Sunday.

Music programming

- The percentage of "Gold" titles (titles over three years old) within the music schedule is between 3% and 35%.
- The percentage of new titles (titles under 12 months old) within the music schedule is between 60% and 90%.

1.6.4 Other provisions

TELEVISION

ACCESSIBILITY OF PROGRAMMES

Deaf and hard of hearing individuals

In accordance with the obligations set by Law n°2005-102 for equal rights, opportunities, participation and citizenship of the disabled, obligations in respect of broadcasting subtitled programmes require that all programmes on channels with an average audience share of more than 2.5% are made accessible to the deaf and hard-of-hearing, with the exception of advertising slots, self-promotion messages, live singing performances and instrumental music pieces, trailers, teleshopping and commentaries on live broadcasts of sporting events between midnight and 6am, via a progressive increase.

In 2018, M6 and W9 subtitled all its programming (excluding above-mentioned exceptions), and with the exception of 26 hours on M6 and 17 hours on W9 following the cyberattack that the Group suffered in October 2019. 6ter and Gulli were obliged to subtitle 60% and 20% respectively of their programmes in 2019.

Blind or visually impaired individuals

Pursuant to the provisions of Articles 28 and 33-1 of the Law of 30 September 1986 arising from the above-mentioned Law n°2005-102, M6 and W9 signed an amendment with the CSA in 2017 to reinforce their obligations to broadcast programmes in audio-description.

For M6, the agreement concluded on 27 July as part of the renewal of its agreement set at 60, of which 30 must be original, the number of programmes with audio-description to be broadcast in 2019. The channel pays particular attention to peak viewing times and programmes aimed at children and teenagers.

On 2 October 2017, W9 and the CSA signed an amendment to the channel's agreement that set the number of original programmes to be broadcast in audio description at 22 for 2019.

6ter's licence imposed on the channel the obligation to broadcast at least 12 original programmes in audio description in 2019. In 2019, no obligation applied to Gulli regarding the accessibility of programmes for blind and partially sighted people, but the channel broadcast four original programmes featuring audiodescription.

Rating system

As part of its role to protect young viewers, the CSA has established a rating system for programmes and a signalling code, which M6 Group's channels must adhere to. Channels may broadcast programmes aimed at all audiences, and, depending on broadcasting time, category II (viewers must be at least 10 years old), III (12+) and IV (16+).

M6 and W9 are not authorised to broadcast programmes classified as category V (18+). 6ter is not permitted to broadcast category III programmes before 10pm and is not authorised to broadcast category IV programmes. Gulli is not permitted to broadcast category II programmes before 9pm and is not authorised to broadcast category III and IV programmes. In the event that Gulli broadcasts a category I programme that may be inappropriate for the very young, it must be preceded by a specific warning to both children and parents.

ADVERTISING

Concerning advertising, the Law n° 93-122 of 22 January 1993 (the "Loi Sapin") governs the relationship between advertisers, their agents and the advertising media.

Other regulations that relate to the broadcasting of advertising spots arise from the Code of Public Health, from the Law of 30 September 1986 already mentioned, and from Decree n° 92-280 of 27 March 1992. It should be noted that as of 27 February

2007, advertising or promotional messages for certain foods and beverages must be accompanied by relevant health information.

6ter cannot broadcast advertising for video games or video recordings of works prohibited or not recommended for children under the age of 12 before 10pm.

Moreover, the Decree n°92-280 of 27 March 1992, amended by the Decree n° 2008-1392 of 19 December 2008, set the regulations applying to television advertising, self-promotion and teleshopping and authorised:

- an extension of the average advertising time allowable during one hour from 6 to 9 minutes, with the maximum allowable hourly advertising time remaining at 12 minutes;
- a change in the method of counting, clock time replacing moving time.

SECTOR-SPECIFIC TAXES TO WHICH M6, W9, GULLI AND 6TER ARE SUBJECT

In 2019, the four channels were liable for the following taxes:

- the tax on television services (*Article L115-6 and subsequent of the French Code of Cinema and Motion Picture*), named “Cosip tax”, for the benefit of the CNC. In 2019, the rate was 5.65% of the amounts paid by advertisers and sponsors for the broadcast of their commercials on television services, including catch-up.
- the tax on advertising broadcast by radio and television (*Article 302 bis KD of the General Tax Code*) for the benefit of the “fonds de soutien à l’expression radiophonique” (radio expression support fund). A graded scale applies, based on quarterly revenues.
- the tax on TV advertising (*Article 302 Bis KA of the General Tax Code*) for the benefit of written press. A scale based on the number and price of advertisement applies.
- tax on advertising broadcast on TV channels (*Article 302 bis KG of the General Tax Code*) for the benefit of France Télévisions. The rate was set at 0.5% of advertising revenue (where this amount exceeds €11 million).
- tax on premium rate calls as part of TV game shows and competitions (*Article L137-19 of the Social Security Code created by Article 19 of the 2010 PFLSS*). A rate of 9.5% applies to this type of revenue.

RADIO

ADVERTISING

On the RTL service, the maximum time devoted to advertising is a daily average of 17 minutes per hour, and may not exceed 25 minutes in any given hour.

On the RTL 2 service, the maximum time devoted to advertising is a daily average of 10 minutes per hour, and may not exceed 15 minutes in any given hour.

The terms and conditions relating to the broadcast of local advertising in the programme schedule are set out in the agreement concluded with the CSA.

On the Fun Radio service, the maximum time devoted to advertising is a daily average of 15 minutes per hour, and may not exceed 18 minutes in any given hour.

The terms and conditions relating to the broadcast of local advertising in the programme schedule are set out in the agreement concluded with the CSA.

SECTOR-SPECIFIC TAX TO WHICH RTL, RTL2 AND FUN RADIO ARE SUBJECT

The three radio stations are subject to the tax on advertising broadcast by radio and television (*Article 302 bis KD of the General Tax Code*). A graded scale applies, based on quarterly revenues.

1.6.5 Compliance with legal obligations and the agreement

The M6, W9, 6ter, Gulli and Paris Première channels and the Group’s three radio stations all benefit from a terrestrial broadcasting licence. They have all signed agreements with the CSA and are subject to regulatory obligations and obligations arising from these agreements.

On an annual basis, the channels and stations report on the implementation of their obligations during the previous financial year to the CSA.

According to the Group’s calculations, and subject to their approval by the CSA, M6, W9, 6ter, Paris Première and Gulli fulfilled their broadcasting obligations in 2019.

The channels also fulfilled their obligations in terms of the amounts invested in the production of audiovisual works and films. The Group’s radio stations, subject to validation by the CSA, complied with their broadcasting obligations in 2019.

1.6.6 Legal and arbitration proceedings

NOTIFICATION OF COMPLAINTS TO THE COMPETITION AUTHORITY

- During 2019, the Competition Authority decided not to pursue its investigation and that no action would be taken in relation to the notification of objections dated 7 January 2009 made to the parties involved in the CanalSat-TPS merger transaction, in which the Authority had declared itself competent to review the exclusive rights relating to fibre-optic and to the catch-up services agreed between Canal + Distribution and M6 Group.
- Having referred to the Competition Authority the matter regarding the abuse of a dominant position by TF1 Publicité on the television advertising market, M6 Group withdrew its complaint. The Competition Authority nevertheless issued a decision stating that the coupling and price-cutting practices were not established and dismissed the case.
- In addition, on 28 May 2019, the Competition Authority dismissed the case following Canal + Group's referral in relation to the practices employed by TF1, France Télévisions and M6 concerning the priority and pre-emption rights relating to original French language films, considering that, in light of all the details of the investigation, the agreements signed between the traditional free-to-air channels and the producers were not typical of anticompetitive practices. Canal + Group has appealed this decision. The procedure remains on-going.

OTHER APPEALS BEFORE THE CONSEIL D'ÉTAT

- M6 Group withdrew two appeals that it had lodged with the Conseil d'État against decisions n°17-DCC-92 and n° 17-DCC-93 issued by the Competition Authority on 22 June 2017.
The first decision related to a review of the injunctions issued in decision n° 12-DCC-100 of 23 July 2012 relating to the acquisition of sole control of TPS and CanalSatellite by Vivendi SA and Canal Plus Group;
The second decision related to a review of the obligations of decision n° 14-DCC-50 of 2 April 2014 relating to the acquisition of sole control of the companies Direct 8, Direct Star, Direct Productions, Direct Digital and Bolloré Intermédia by Vivendi SA and Canal Plus Group.
- By decision dated 12 September 2018, the Conseil Supérieur de l'Audiovisuel gave formal notice to Paris Première that it must in the future adhere, in relation to the service it operates, to the final paragraph of Article 15 of the Law of 30 September 1986 as amended, relating to the freedom of communication in reference to the content of the programme "*Zemmour et Naulleau*", broadcast on 20 January 2018. On 20 February 2019, Paris Première submitted an appeal against this decision to the Conseil d'État. The procedure remains on-going.
- During the year, Canal + Group withdrew an appeal before the Conseil d'État against the decision of the Conseil Supérieur de l'Audiovisuel dated 27 July 2017 in relation to the renewal of the M6 channel's permission to broadcast.
- The Conseil d'État is currently hearing two appeals lodged by SNEP:
 - a ruling by the Conseil Supérieur de l'Audiovisuel dated 16 May 2018 relating to the amendment to the agreement concluded with the company EDI TV,
 - the decision issued by the Conseil Supérieur de l'Audiovisuel on 29 May 2019 relating to the renewal of the W9 channel's broadcast licence.

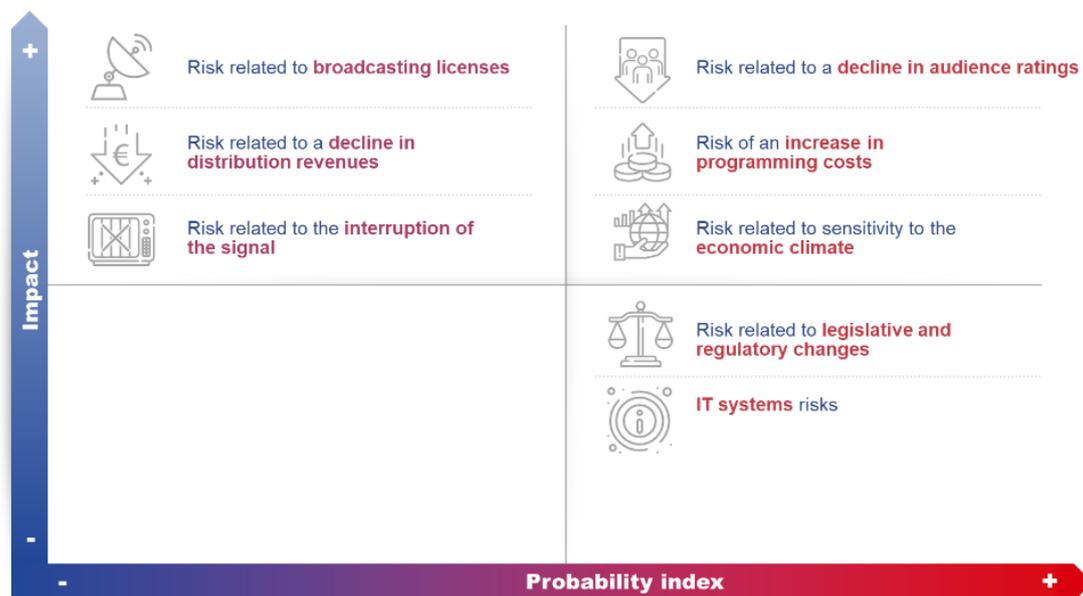
OTHER DISPUTES

- In June 2015, the companies Métropole Télévision and Molotov concluded, on a trial basis, an agreement allowing Molotov to distribute M6 Group's DTT free-to-air channels and its special interest channels and services on the former's OTT platform for a duration of two years, ending on 31 December 2017.
Upon expiry of this agreement, Métropole Télévision and Molotov began discussions regarding the distribution of M6 Group's services on the Molotov platform based on M6 Group's General Terms and Conditions of Distribution.
Given that these discussions proved unsuccessful, the licence granted to Molotov to distribute M6 Group's DTT free-to-air services on its platform ended. Since Molotov has continued to distribute these services, on 6 April 2018 Métropole Télévision initiated legal proceedings against it before the Paris High Court for infringement and parasitism, due to the unauthorised distribution of its DTT free-to-air services on its OTT platform.
For its part, on 4 April 2018 Molotov applied to the Paris High Court to dispute the legality of certain provisions in the General Terms and Conditions of Distribution of M6 Group's DTT free-to-air services.
In a decision dated 11 February 2019, the Paris Commercial Court judged this clause to be unenforceable against Molotov. M6 Group has appealed this decision.
- ☐ Lastly, the company Molotov referred a matter to the Competition Authority concerning the practices supposedly implemented by M6 that would violate Articles L. 420-1 and L. 420-2 of the French Commercial Code as well as Articles 101 and 102 of the TFEU. This referral was accompanied by an application for precautionary measures.
These cases are ongoing.
- By decision 19-DCC-157 of 12 August 2019, the Competition Authority authorised the creation of the joint venture Salto by the TF1, France Télévisions and M6 groups. Iliad lodged an appeal against this decision to the Conseil d'Etat.
- In addition, all the risks related to the various proceedings against the station Fun Radio in respect of audience measurements are the responsibility of RTL Group and not M6 Group.

1.7 RISK FACTORS

Investors are invited to consider the risks described below, which may have an influence on the operations, financial position, financial performance and development of the Group.

Only the risks deemed to be very significant and specific to the Group on the date on which this document was prepared are detailed below. These risks have been submitted to the Audit Committee.



M6 Group pursues an active policy of identifying and managing risks which is detailed in Paragraph 1.8 on Internal Control Procedures and Risk Management.

1.7.1 Business risks

RISK RELATED TO A DECLINE IN AUDIENCE RATINGS

M6 Group, via its broadcasting activities, operates in an audiovisual market undergoing strong change (as described in paragraph 1.4.1.2 on the structural changes affecting the TV market), due to the strengthening of new DTT channels, as well as to changes in viewing habits related to the development of the Internet (video on demand, catch-up TV, new online channel networks, etc.), and more generally to all the recent technology developments leading to changes in viewing habits:

- Over the course of 15 years, the range of free-to-air channels increased from 6 to 27 in 2016. This growth in content offering leads to audience dispersal, with a consequent fragmentation of the TV advertising market, the main source of revenue for the Group's free-to-air channels;
- Since 2010, the competitive landscape of free-to-air channels has also changed in response to industry consolidation transactions (acquisition in 2010 by TF1 Group of 40% of the channel TMC and 100% of the channel NT1 from AB Group; acquisition by Canal+ Group of Bolloré Group's free-to-air TV channels (Direct 8 & Direct Star) in September 2012; merger of NextRadio TV (producer of such channels as BFMTV, BFM Business TV and RMC Découverte, as well as the RMC and BFM Business radio stations) with Altice Group in 2015;
- The broadcasting activities of the pay channels operate in a highly competitive environment, with the development of free-to-air television and increased penetration of a multi-channel package distributed via satellite and IPTV platforms.
- New global operators, notably in SVOD (Netflix, Amazon, etc.), entered the video market, which has led to lower average viewing times for traditional television;
- Similarly, video broadcast platforms like YouTube are playing an increasingly prominent role for some consumers, meaning a percentage of TV advertising potentially moving to digital.

RISK MANAGEMENT

Within this context, M6 Group initially undertook to strengthen its position by investing in the line-up of its M6 channel to consolidate its audiences, and by developing a family of channels with the W9 channel, launched in 2005, 6ter in 2012, and Gulli, acquired in 2019.

Similarly, the Group believes that its employees are essential to maintaining its audiences. It is for this reason that the Human Resources Department places employee selection and subsequent loyalty building at the heart of its concerns, and endeavours to promote employee development in all aspects of their professional life (see Section 6.2 of this document - 8th challenge: Retaining talent).

Moreover, in 2017 M6 Group acquired the French Radio division of RTL Group (RTL, RTL2 and Fun Radio), the leading private radio group in France, meaning it now has a very powerful multimedia offering, thanks to the addition of the Radio medium to its media range, until then comprised of Television and Digital. The transaction allowed M6 Group to strengthen its positioning in the media market – with one in two French people being reached by M6 Group media on a daily basis – and on the advertising market (compared with one in three previously).

As described in paragraph 1.4.1.2. of this document, M6 Group is also involved in the implementation of all new broadcasting technologies to support and anticipate the new viewing patterns, a necessary condition for the sustainability of its model. M6 Group has therefore been one of the pioneers of catch-up television with its platform M6Replay, launched in 2008 and renamed 6play in 2015, and on which an average of 110 million videos were viewed each month in 2019. It is also present in the “Multi Channels Networks” market with Golden Moustache, launched in 2012 and today attached to the digital production company Golden Network, created in 2017.

In order to confront the competition from international platforms, in 2019 M6 Group created, along with TF1 and France Télévisions, the joint venture Salto. This SVOD platform will benefit from the attractive content and sophisticated technology owned by its joint shareholders. Its launch is scheduled for 2020.

Furthermore, the inclusion in television audience ratings of viewing content that is being recorded daily on personal hard discs, of catch-up TV on a television screen, and in 2020 outside the home on a daily basis, helps to mitigate the risks related to fragmentation by taking into account new viewing patterns in tracking the consumption of the TV medium. Lastly, faced with this competition, M6 Group strives to maintain close links with its audience, by endeavouring to reflect all sections of the French population on screen (see Section 6.1 of this document – 3rd Challenge: Representing diversity in programmes), by providing a framework for access to its programming by younger viewers (see Section 6.1 of this document – 2nd Challenge: Promoting greater access to programmes and 5th challenge: Supporting and protecting young people in the media), by becoming involved in major social causes, such as the issues covered by the M6 Foundation (detailed in Section 6.1 of this document – 6th Challenge: Getting involved in a major social cause – The M6 Corporate Foundation), and by raising public awareness of challenges related to sustainable development, an issue about which there is increasing public expectation in France (see Section 6.3 of this document – 12th Challenge: Raising public awareness of environmental issues). Within this context and in order to protect its audiences, M6 Group is fully aware of its responsibilities in the handling of information (see Section 6.1 of this document – 4th Challenge: Ensuring editorial independence and respect of ethics in its news programmes)

RISK OF AN INCREASE IN PROGRAMME COSTS

The Group is exposed to risks of upwards movements in the purchase cost of audiovisual rights. The growth in the cost of programmes noted in recent years has affected all categories: retransmission rights for sports competitions, broadcasts, series, and feature films.

This was reinforced by the relative scarcity of powerful and attractive programmes in a market where buyers are more numerous than before, with an increase in the strength of DTT channels and SVOD players, and where the number of sellers is restricted. In addition, technological (transfer to HD reception for example), regulatory, legal and contractual changes (the collective production agreement for example) may also contribute to an inflation in production and purchase costs.

RISK MANAGEMENT

In order to respond to this risk, a number of years ago the Group set up an “industrial platform” to manage its content purchases, like many other industries. As such, a purchasing team is tasked with identifying the best programmes for Group channels at a very early stage in the purchasing process, to participate in screenings organised by studios and to negotiate the best possible prices by using their knowledge of the market and the producers.

These relationships with its suppliers are specifically detailed in Section 6.1 of this document – 7th Challenge: *Developing balanced and transparent relations with stakeholders*.

In addition, the Group has developed in-house production companies, thus improving its control of the audiovisual and film production value chain:

- C. Productions for news and current affairs programmes;
- Studio 89 for entertainment programmes;
- Golden Network for video content for online distribution;
- SND, M6 Studio and M6 Films for feature films.

The Group’s Human Resources policy is presented in Section 6.2 of this document – 8th Challenge: *Retaining talent*, and 9th challenge: *Developing employee skillsets*.

The audiovisual rights acquisition and distribution subsidiary SND, as well as the film catalogue and cinema co-production activities all contribute to the Group’s strategic response aimed at making broadcasting rights procurement secure and to better control its cost.

Moreover, programme management has the objective of defining the programme policy for Group channels giving them each their own identity but also enabling the sharing of resources (technical resource, studios, programmes where appropriate). Throughout the year, programme management ensures strict cost control of programmes and monitors this, as much as possible, depending on advertising revenue growth.

Lastly, the Group takes particular care to limit its dependence on certain suppliers in relation to procurement, notably concerning audiovisual rights. It keeps a permanent watch in this respect in order to identify new programme concepts and alternative suppliers:

As regards programmes in inventory, the main suppliers are the major US studios. Even though distribution contracts (output deals) have been signed with certain producers, the most significant only represents less than one third of films, made-for-TV films and series purchases and pre-purchases. The top six US studios supplying M6 represent less than two thirds of these purchases.

As concerns flow programmes, purchases are spread over many suppliers.

Overall, the share of the Group’s 2019 purchases, excluding rights inventories, from the leading supplier and top five and top ten suppliers represented 4.8%, 14.7% and 20.8%, respectively.

RISK RELATED TO SENSITIVITY TO THE ECONOMIC CLIMATE

M6 Group, due to the nature of its operations, is highly sensitive to the economic situation and consumer spending. Advertising revenue depend on a level of investment in communication set by advertisers, who for the most part are major brands that operate in mass market products and services (food, health & beauty, cleaning products, finance and insurance, transport, telecommunications, publishing, etc.). This level is notably related to the growth prospects and the profitability of these businesses on the French market. Communication expenditure may represent a balancing item in the cost structure of these businesses against a deteriorated economic background. More generally-speaking, all changes that create uncertainty to the level of advertisers’ revenue, or which constitute an additional constraint on their costs, may have an influence on the level of their advertising expenditure, and thus be reflected in a negative impact on the Group’s advertising revenue.

RISK MANAGEMENT

In order to meet this risk, the Group has the following assets:

- due to its presence in free-to-air DTT through the W9, 6ter and Gulli channels, M6 Group benefits from stronger exposure to the advertising market of second generation channels, whose growth was higher in 2019 than that of the overall TV advertising market;
- the significant number of advertisers, the constant renewal of brands and the competitive environment significantly limit M6 Group’s risks connected with a possible concentration and to an excessive exposure to any given sector.
- Revenue stemming from diversification and production activities as well audiovisual rights (18% of consolidated revenue in 2019) mitigate the Group’s dependency on the advertising market. They are nonetheless dependent on the level of consumer spending and the portion dedicated to leisure - media (TV subscription, video purchase, cinema, CDs, etc.) or to household equipment purchases (Ventadis division).
- Moreover, in the event of challenging economic circumstances having a negative effect its advertising revenues, M6 Group has the ability to reduce its costs, and in particular the costs of its programmes broadcast, since this expenditure item offers a certain flexibility. In this way, the channels have the possibility of rescheduling broadcasts, and therefore managing certain

programmes with a high cost. Moreover, in general terms, M6 Group applies the principles of continued vigilance in relation to all its expenditure.

- Lastly, the Group notably implements an ongoing policy of cost reduction, the cost of raw materials, detailed in Section 6.3 of this document – 11th Challenge: *Controlling and reducing energy consumption*.

1.7.2 Major operating risks

RISKS RELATED TO A DECLINE IN DISTRIBUTION REVENUES

In addition to advertising income, Group channels benefit from revenue from cable operators and distribution platforms. The calling into question of these distribution agreements could have a significant impact on the profitability of the Group.

RISK MANAGEMENT

The main distribution agreements, which ended in late 2017, were renewed between December 2017 and February 2018 for variable durations depending on the agreements. The expiry dates of these agreement are therefore staggered.

Moreover, the Group has a portfolio of powerful channels and strong programme brands which make it impossible for distributors to ignore. The broadcast of event based programmes where the purchase of valuable sports rights also fall within this framework.

Lastly, the diversity of the Group's channels, made up of a general interest channel, several mini-general interest / entertainment channels, music channels, and since the acquisition of Gulli, a children's channel, represents an additional asset.

RISK RELATED TO THE INTERRUPTION OF THE SIGNAL OF THE GROUP'S TV CHANNELS AND RADIO STATIONS

TELEVISION

For the Group's channels, the interruption of the broadcast of their programmes constitutes a major risk, since it would translate into a loss of revenue.

RISK MANAGEMENT

In order to protect itself from the occurrence of such a risk, the Group has taken a number of steps to ensure continuous broadcasting of the programmes of the Group's channels. These steps relate notably to securing the electricity supply to the units, the ongoing modernisation of the broadcasting installations and the selection of recognised and reliable suppliers for services to broadcast the signals.

The Group's methods of broadcasting are varied:

- M6, W9, 6ter and Gulli broadcast unencrypted in digital on the DTT network (Digital Terrestrial Television) in high definition (HD); their signals are also used by the satellite, cable and IPTV broadcast platforms.
- Other Group channels are pay channels offered by the various satellite, cable or IPTV platforms. Paris Première is nevertheless also included in DTT pay-TV packages.

Concerning the broadcast of free-to-air terrestrial digital (DTT), data compression in digital mode enables the broadcast of several DTT channels on the same frequency. As a result, the broadcast in DTT is shared by a group of five to six associated channels in common companies, called Multiplex or MUX, whose composition is decided by the Conseil Supérieur de l'Audiovisuel (CSA). Thus:

- M6, W9 and 6ter included with France 5 and Arte in the R4 Multiplex (the company Multi 4). In accordance with the law, the network that has been rolled out by the R4 Multiplex is supported by 1,626 broadcasting sites and provides minimum nationwide coverage of 95% of the population of Mainland France, with a minimum of 91% per district;
- Gulli is included with both the free-to-air TV channels of Canal+ Group and with BFM TV in the R2 Multiplex (the company NTN). In accordance with the law, the network that has been rolled out by the R2 Multiplex is supported by 1,626 broadcasting sites and provides minimum nationwide coverage of 95% of the population of Mainland France, with a minimum of 91% per district;
- Paris Première is included with both the pay TV channels of Canal+ Group and with LCI in the R3 Multiplex (the company CNH).

This Multiplex composition was introduced after the technological developments and technical operations required for the full MPEG-4 transition were carried out on 5 April 2016.

For their broadcast, the channels thus depend on the quality of the services of their technical providers (free-to-air broadcast) and on the continuity of service provided by the operators of cable, satellite and IPTV platforms.

- M6 Group operates the **top of the network** for Multi 4, which consists of compressing and multiplexing the signals. TDF provides this service on behalf of NTN. Canal+ Group provides this service on behalf of CNH.
- Multi 4 uses the company Globecast to ensure the **upload** to the Eutelsat 5 West A satellite that transmits the signal to a large number of transmission sites. This transmission via satellite is secured by terrestrial communication links operated by TDF. NTN and CNH appointed the companies Arqiva and TDF to ensure the upload to the Eutelsat 5 West A satellite.
- The companies TDF, Towercast (NRJ Group), and Itas Tim (TDF Group) operate the **transmission sites** of the R2, R3 and R4 networks.

The damage that the channels, and first and foremost M6, may be subjected to in the event of a broadcast interruption is proportional to the viewing audience size served. For this reason, apart from the fact that the main transmission sites are secured due to the redundancy of broadcast transmitters and in certain cases the presence of generators, the Group negotiated very short intervention times from its service providers in the event of malfunction.

RADIO

For the Group's radio stations, interruption to the production and broadcasting of their programmes constitutes a major risk, notably because the majority of programmes are broadcast live.

RISK MANAGEMENT

In order to protect itself from the occurrence of such a risk, the Group has taken a number of steps to ensure a continuous production and broadcasting capacity for the programmes of the radio stations. These steps relate notably to securing the studios, the electricity supply to technical equipment, the ongoing modernisation of the production and broadcasting installations and the selection of recognised and reliable suppliers for services to broadcast the signals.

Risks of interruption to Production

In order to guard against any risk of interruption to the production of its programmes, the Group has a production infrastructure featuring significant levels of back-up:

- The Group's radio stations each have several studios in order to broadcast their programmes live and they can use these various studios to make all their shows.
- The production infrastructures are safeguarded with back-up equipment and power supply.
- In the event of the non-availability of the main infrastructures, the RTL station's mobile resources will enable it to provide off-site production. In the event of the non-availability of the main Fun Radio and RTL2 infrastructures, each of these stations' signal will be produced in one of their local stations and will replace the signal produced in Neuilly-sur-Seine.

SIGNAL BROADCASTING AND TRANSMISSION RISKS

The main broadcast mode of the Group's radio stations is the FM network, the main vehicle for the radio audience. This primary broadcast mode is supported by broadcast in IP mode via the Internet network and specifically for RTL, via transmission in Long Wave (LW).

FM transmission is guaranteed by a transmitter network serving areas of variable coverage, depending on the authorisations granted by the Conseil Supérieur de l'Audiovisuel. These transmitters are powered by a satellite signal. The company TDF uplinks the signal to the Eutelsat 5 West A satellite. This satellite transmission is powered by a dual terrestrial transmission to the main and back-up issuing stations.

- The broadcast sites are operated by the companies TDF and TowerCast on behalf of the Group's radio stations.
- Each FM broadcast site has its own back-up infrastructures, with varying levels of back-up depending on the size of population covered by the transmitter.
- Due to its importance, the Paris Eiffel Tower site has a specific infrastructure, notably through the direct supply of the site via several terrestrial microwave transmission links from Neuilly.

RTL is also broadcast in long wave (LW) from the Junglister site in Luxembourg. This site is safeguarded via the Beidweiler back-up site. These sites are operated by the company BCE on behalf of the Group.

The Group's radio stations are also broadcast in IP mode, available at no cost on the Internet network through the websites and applications operated by the Group as well as on a large number of third-party sites and applications. This broadcasting in IP mode is guaranteed by the Group from a back-up and relocated technical infrastructure in the third party datacenters.

Moreover, the vast majority of the Group's radio stations are included in the channel packages offered by satellite, cable and broadband IPTV platforms.

IT SYSTEMS RISKS

The Group depends on shared and interdependent IT applications for all its operations. The main risks relate to data confidentiality and integrity, as well as the discontinuation of IT services. Any failure affecting these applications or data communication networks, or any malicious attack, may result in a cessation or slowdown in operations, delay or distort certain

decision-making processes and generate primarily financial losses for the Group. Moreover, any accidental or intentional data loss, liable to be used by a third party, may have negative effects on the Group's activities and results.

RISK MANAGEMENT

All IT systems are notably made secure by:

- physical facilities protection (access control, fire detection);
- logical network access protection (firewalls, computer access controls, protection against intrusion and identity theft attempts);
- antivirus software (on computers, web servers and internet traffic);
- daily, weekly, monthly and annual data backup;
- duplication of broadcasting control room key systems (software and hardware);
- duplication of critical IT systems (software and hardware);
- 24/7 monitoring systems (availability, security);
- frequent audits of these various systems.

The Group's Information System Security Manager (ISSM) ensures the effectiveness of this security policy, which relies on an Information Security Management System based on the ISO 27001 standard. This is based on the definition of policies, rules or action plans aimed at controlling the risks, supporting their roll-out, and monitoring their effectiveness.

In 2018, M6 Group updated its governance rules in relation to information security. They are now based on three documents that have been circulated to all employees: the Information Systems Security Policy (ISSP) details the fundamental rules of IT security, the IT Charter is aimed at end users, and the Programmers' Charter is intended for employees responsible for information systems (administrators, developers, etc.).

In addition, since 2017, M6 Group has had a Data Protection Officer (DPO) who is in charge of introducing a protection policy and a governance structure for personal data, as well as implementing internal processes to help ensure data protection at all times in relation to the requirements of the General Data Protection Regulation (GDPR), which came into force on 25 May 2018.

Lastly, M6 Group has insurance cover in the event of a cyberattack, enabling it to receive support in managing the crisis as well as covering its consequences.

1.7.3 Legal risks

RISK RELATED TO BROADCASTING LICENCES

The channels M6, W9, 6ter, Gulli and Paris Première are audiovisual communication services subject to licences. As detailed in Section 1.6.2., the M6 channel has a licence to broadcast in high definition until 5 May 2023. The channels W9 and Paris Première each have a licence to broadcast, in high definition and standard definition respectively, until 28 February 2025. Gulli has a licence to broadcast in high definition until 31 August 2025 by a decision of the Conseil Supérieur de l'Audiovisuel dated 10 July 2019 amended by a decision dated 11 December 2019. 6ter operates an authorisation to broadcast high definition TV network which was initially licensed on 3 July 2012 to broadcast for a duration of ten years from 12 December 2012 (until 2022) under the licensing regime set forth by Article 30-1 of the amended Law of 30 September 1986 on Freedom of Communication.

In addition, details of the expiries of the authorisations held by RTL, RTL 2 and Fun Radio are provided in Section 1.6.2.2. Authorisations to use frequencies.

As part of its broadcasting authorisation, the main features of which are specified in section 1.6.2. of this document, M6 Group's channels and radio stations are subject to legal and regulatory authorisations provided by the Law n°86-1067 of 30 September 1986 as amended and related application decrees.

The channels and radio stations are also bound to the regulatory body (CSA) in application of the Article 28 of the aforementioned Law of 30 September 1986.

These agreements set out the specific rules applicable to the channels and radio stations, due to the extent of the area serviced, of the channel's share of the advertising market, of the obligation of equal treatment between all TV networks and competitive conditions specific to each of them, as well as the development of digital terrestrial radio and television. The Conseil Supérieur de l'Audiovisuel thus ensures that the channels and the radio stations meet all their obligations.

In the event of the Group's failure to fulfil its obligations, the CSA can, depending on the severity of the breach and after formal notice has been given, impose upon the broadcaster one of the penalties set out in Article 42-1 of the Law of 30 September 1986 (financial penalty, suspension of the publishing, broadcast or distribution of the service, of a category of programme, of a section of the programme line-up or of one or more advertising breaks, for a maximum of one month, and/or reduction in the authorisation to use frequencies of a maximum of one year suspension or unilateral termination of the agreement).

RISK MANAGEMENT

M6's fulfilment of its obligations is carefully monitored. In this regard, the Group's Corporate Secretary ensures that every channel and station's programmes comply with regulations.

The way in which M6 Group is structured in order to comply with these obligations and the details of compliance with certain criteria is set out in Section 6.1 Social Responsibility – 1st Challenge: *Meeting ethical and contractual obligations*, 3rd challenge: *Representing diversity in programmes*, 4th challenge: *Guaranteeing editorial independence*, 5th challenge: *Supporting and protecting young people in the media*, 7th challenge: *Developing balanced and transparent relations with stakeholders*, and Section 6.2 Corporate Responsibility – 10th Challenge: *Promoting diversity and gender parity within the company* in this document.

In order to minimise risks associated with production and broadcasting quotas, M6 Group put into place a precise regular monitoring of its programming and investments in programme production. In addition, one of these systems is exclusively focused on monitoring the network, ensuring daily that all programme contents are in accordance with regulations in force.

RISKS RELATED TO LEGISLATIVE AND/OR REGULATORY CHANGES

Since M6 Group operates in the audiovisual sector, it is governed by legislation and decrees specific to its activity as well as by regulations (CSA, CNC, etc.). Many legislative developments are likely to have an impact on the Group's results. As such, increases in certain production and broadcast quotas could result in additional expenditure. Similarly, the return of advertising after 8pm on state television channels or the introduction of obligations that would affect the advertising slots of advertisers from certain industries could impact the Group's advertising revenues.

The Group considers that within an environment where TV and radio publishers face numerous challenges and need to adapt to a changing environment (increase in the number of DTT channels, increase in viewing media, insufficient revenue growth, competition from powerful new business players), the growing complexity of the audiovisual regulatory framework is liable to hamper the development and adaptation and innovation capacity of audiovisual groups, as with certain changes implemented in 2018 and presented in Section 1.4.3 of this Document, and which could impact the development of industry players and their ability to adapt and innovate.

RISK MANAGEMENT

M6 Group maintains an ongoing institutional relationship with the legislator to attempt to limit the occurrence and impact of this risk.

Against this backdrop, the Group makes it a rule to maintain regular contact with all its interlocutors, as detailed in Section 6.2 of this document – 7th Challenge: *Developing balanced and transparent relations with stakeholders*.

1.8 INTERNAL CONTROL PROCEDURES AND RISK MANAGEMENT

1.8.1 General organisation of internal control

DEFINITION OF INTERNAL CONTROL

In order to mitigate the risks the Group faces, M6's Executive Management set up an internal control system closely associated with operational management and which acts as a decision-making tool for Management.

This internal control is based on the benchmark of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the recommendations on corporate governance and internal control prepared by the AMF, which take into consideration legal and regulatory obligations as well as good professional practices.

The Métropole Télévision Group (Métropole Télévision SA and its consolidated subsidiaries) defines internal control as a process that consists of setting up and continuously revising appropriate management systems, with the aim of providing directors and senior executives with reasonable assurances that the financial information is reliable, that legal regulations and rules of procedure are complied with and that the principal business processes (IT systems, structures and procedures) operate in an effective and efficient manner. In addition, one of the objectives of an internal control system is to prevent and manage the risk of error or fraud.

As with all control systems, it cannot provide an absolute guarantee that these risks are fully eliminated or controlled. The mechanism implemented aims to reduce the probability of their occurrence by the implementation of appropriate action and prevention plans.

RISK MAPPING

Every year, the Group prepares and updates a summary of all the operational and functional risks incurred by its various teams. Risks related to the business, major operational risks, legal risks, counterparty risks, market risks and lastly industrial and environmental risks including financial risks related to the effects of climate change are specifically recorded.

This assessment determines events that may have an adverse effect on the achievement of the Group's objectives and specifies the causes and consequences of the latter in order to implement action plans to curtail their effects and the likelihood they will occur.

This work is carried out with the support of members of the Executive Committee of the Group and the senior operating and functional executives.

This risk mapping is presented once or twice annually to the Audit Committee.

These main risks with which the Group is faced are presented in the previous section of this chapter of this Universal Registration Document.

ACCOUNTABILITY OF OPERATING AND FUNCTIONAL EXECUTIVES

Responsibility for the control of risks is entrusted to the member of the Executive Board in charge of Finance and Support Functions, with the assistance of the Audit and Risk Manager who coordinates the control assignments in line with the action plan approved by the Executive Board. This member ensures continuous monitoring of the internal control mechanism and, where appropriate, calls on external assistance.

The Métropole Télévision Group internal control system is based on all the policies and procedures defined by every functional department and by all operating units on the basis of the different risks identified:

- the internal control procedures in the area of cross-group activities are defined by functional management. They concern mainly the Finance, Human Resources, Communications, Strategy and Development, Legal and Technical Departments;
- the internal control procedures specific to operational departments are defined at their respective level. Thus:
 - the Programming Department monitors the costs and risks of content;
 - the sales house seeks quality in the channels' partners and standardisation of marketing depending on the programmes;
 - the management of the diversification subsidiaries (other than television) ensures the quality of their contractual partners and monitors the development of trademarks created by Group channels.

1.8.2 Description of internal control procedures

GENERAL ORGANISATION OF INTERNAL CONTROL PROCEDURES

In order to attain its operational and financial goals, the Group has implemented organisational and internal controls as part of the general organisation described above.

CORPORATE GOVERNANCE: FORMS AND PROCEDURES

Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and Supervisory Board. This legal form facilitates the separation between company management, which is the responsibility of the Executive Board, and the supervision of that management, performed by the Supervisory Board. It therefore satisfies the regulatory constraints imposed by the agreement with the Conseil Supérieur de l'Audiovisuel (CSA), which governs the operation and broadcasting rules of the network.

The rules of corporate governance in the Métropole Télévision Group are set down in the Bylaws (Articles 14-19 for the Executive Board and Articles 20-24 for the Supervisory Board) in this report.

OPERATIONAL CONTROL PARTICIPANTS

Internal control is monitored at all levels within the Group. The Executive Board has delegated internal control powers to the following collegial organisations or functional departments:

- **The Executive Committee** ensures the effective implementation of the Group's internal control policy (both operational and functional), by monitoring and following up on the internal control work carried out across the Group.

It meets twice a month. It includes the main functional and operational departments of the Group: the Programming Department, managers of the diversification, audiovisual rights, distance selling and Internet divisions, as well as the Development, Finance, Strategy, Human resources, Legal, Corporate Secretary and Technical departments.

- **The Management Committee** is responsible for informing the Group on major decisions and communicating the internal control policy to the various entities.

It meets once a month and comprises members of the Executive Committee as well as representatives of the main operations or departments.

- **The Group's Finance Department**

- coordinates and steers the monthly reporting of majority-held subsidiaries, thereby guaranteeing regular financial updates to the Group;

- coordinates certain financial transactions that are of importance to the Group;

- in consultation with the subsidiaries, manages the Group's cash flow and exchange risks by setting up financial indicators and hedge instruments as it considers appropriate;

- monitors the handling of direct and indirect taxation as part of tax planning;

- in collaboration with the subsidiaries, implements a network of management controllers suited to the needs of the Group's individual business units;

- strengthens the procedures covering the security of accounting information and the reporting of information for consolidation purposes.

- **The Audit and Risk Management Department:**

- centralises and coordinates all aspects of risk management (risk identification), internal control (definition or validation of internal control procedures) and internal audit (implementation of an annual internal audit plan);

- ensures the effectiveness of the policy to secure the information systems via the Group's Information Systems Security Manager (ISSM);

- reports its findings to the operational departments, the Executive Board and the Audit Committee.

- **The Group's Legal Department:**

- issues legal opinions for all Group subsidiaries;

- liaises with the subsidiaries and other functional departments to prepare and negotiate contracts;

- implements a network of legal experts to monitor and manage the Group's legal risks.

- **The Corporate Secretary** ensures compliance with laws and provisions specific to the Group's operating activities and follows legal and regulatory developments that may have an impact on the various entities.

COMPANY INTERNAL REFERENCES

In order to enable each of its employees to take part in reinforcing internal control within operations, the Company implemented the following:

- a Code of Ethics and Professional Conduct which has been communicated to, and which must be observed by all employees of the Métropole Télévision Group. This Code details the Company's ethical values and defines the professional principles which Group Directors and employees must adhere to in their own conduct and which must guide the steps they undertake;
- descriptive manuals specifying the operational and administrative processes applying to all its operations of whatever nature;
- an expense control procedure backed by a system for the delegation of signatory powers. These delegations of powers are updated and formalised on a regular basis as the roles and responsibilities of delegating individuals change. At the time of each modification to delegations of power, strict compliance in relation to segregation of duties between the validation of an operating expense, its recognition and its payment is strictly ensured. This mechanism is strengthened by the expense monitoring tool in place within the Group;
- procedure for artistic validation of programming content, ensuring it respects editorial and ethical values and current legislation. This procedure is enacted by preparing recommendations for the attention of Programme Management.
- a compliance programme regarding the competition rules and comprised of a Code of Conduct and practical training on the principles included in the Code.

The main key Group documents are available on the Group's enterprise social network. In addition, functional managers are responsible for their circulation.

RULES GOVERNING THE PREPARATION OF FINANCIAL AND ACCOUNTING INFORMATION

The internal control procedures relating to the preparation and processing of financial and accounting information are primarily implemented by the Accounting, Consolidation and Management Control divisions of the Group's Finance Department. Most of these processes are also deployed within the subsidiaries to standardise the current *modus operandi* of the Group.

PRINCIPAL INTERNAL CONTROL PROCEDURES ESTABLISHED BY THE COMPANY

The Métropole Télévision Group has a system of centralised internal control procedures with a high rate of hierarchical control based on a *priori* control of decisions and strict monitoring of individual objectives.

The Group's operational control procedures involve monitoring expenses, programming, content, quantity and compliance with regulations (CSA, CNC, etc.).

The main procedures applied within the Group include:

- integrated management systems, tailored to the audiovisual sector, which allow the simultaneous management of programme purchases and their broadcast, as well as the sale of advertising space;
- a financial reporting system with an expense monitoring tool added to it in 2012 to provide for closer internal control of purchasing; Besides the operational contribution of this tool, which is recognised as the benchmark in its market (numerous automated checks, strict rules for the segregation of tasks and security), the responsibilities assigned to the various internal control players and the main internal control procedures have been both updated and strengthened. The Company took this opportunity to set up a team dedicated to purchase management. Reporting to the Group Finance Department, this team is in charge of the management of this tool as well as central order processing and monitoring;
- centralisation of cash management transactions.

The Group's internal controls for the preparation and processing of financial information comprise a number of procedures:

ACCOUNTING PROCEDURES

The Accounts Department records all movements and gathers all accounting documentation throughout the accounting period using financial reporting systems controlled by system administrators which ensure such systems are correctly used and monitor updates in close collaboration with the publishers.

Document validation paths prioritise the Accounts Department and internal procedures, such as dual control, exist to ensure a *posteriori* control of the consistency in accounting entries. Detailed reviews are conducted at each balance sheet date to check the work carried out.

Lastly, specific procedures relative to monitoring customer risk are applied in every accounting department: they relate to all stages of the commercial relationship, from initial contact with the customer (completion of solvency check) to collection of the receivables (different terms of payment, application of late penalties and procedures for recovery of unpaid invoices).

CONSOLIDATION PROCEDURES

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union on 1 January 2005.

The Consolidation Department ensures that accounting standards are consistently applied throughout the Group and are in line with IFRS developments. It also collects and monitors non-accounting data included in financial communications.

The Group publishes quarterly reports on the consolidated revenue, consolidated EBITDA and financial position, and interim reports on the results. It also issues financial documentation annually, as required for a company listed on a regulated market.

REPORTING PROCEDURES AND BUDGETARY CONTROL

The Reporting Department is part of the Management Control Department. It collects and analyses data on a weekly or monthly basis depending on the activity in question.

The first step in this process is the preparation of a three-year strategic plan, approved by the Executive Board. The second step consists of establishing an annual budget analysed by month.

Although the budgetary process is decentralised to the level of each entity, its organisation and coordination is carried out by the central management control. In addition, every entity or subsidiary presents its budget to the Executive Board and to the Finance Department. This budget is subject to a quarterly update to provide optimum management of Group forecasts.

Reporting is then reviewed monthly with operational staff who are in a position to monitor and explain progress towards their budget objectives.

To complete this monthly reporting, all operational entities are included on the weekly management report (revenue, programming costs, gross profit) or daily report (revenue statistics).

MONITORING OFF-BALANCE SHEET COMMITMENTS

The Group has an integrated tool to manage the rights portfolios and programming of its television activities, which comprise most of the Group's off-balance sheet commitments. The other off-balance sheet commitments are summarised by the Finance Department in close collaboration with the Legal Department in a half-year report.

At the balance sheet date, the Finance Department obtains the information required to report consolidated off-balance sheet commitments from all Group departments.

MONITORING NON-CURRENT ASSETS

The Group's non-current assets are monitored using asset management software and a special application to manage audiovisual rights. At each balance sheet date, the information generated by this software is reconciled with the accounting records.

Regular physical inventories and asset reviews ensure that the operating assets exist and have been accurately valued.

1.8.3 Conclusions and outlook

During 2019, M6 Group focused on the continuous improvement of internal control processes by strengthening tools, procedures (notably those which protect the Group from possible fraud attempts) and its information systems security policy.

Furthermore, in 2019 the Audit and Risk Management Department carried out a campaign to assess the internal control procedures overseeing the main risks associated with the preparation of the Group's financial statements.

The internal audit and risk management assignments conducted in 2019 primarily focused on reviewing the purchases made via the expense system, the review of risks related to certain service providers, reviewing specific payment processes, reviewing IT access to the main information systems and their hacking risk, as well as auditing the IT security measures and systems in place in the different subsidiaries. These assignments did not bring to light any major shortcoming or inadequacy in the internal control process. Where applicable, the recommendations issued were subject to an action plan by operational structures and were followed up by the Audit and Risk Management Department.

As is the case every year, work has been carried out to update risk-mapping and action plans have been defined to cover the main issues associated with internal control.

The Audit Committee has received regular updates on all this work.

In 2020, M6 intends to continue this risk management and continuous procedure improvement process by continuing to improve the accountability and awareness of the operational entities in relation to internal control issues.

1.8.4 Insurance cover

The Group has adopted a prudent risk analysis and prevention policy in order to limit the occurrence and magnitude of such risks.

In order to complement this policy, the Group has put into place an insurance policies plan focusing on the cover of major risks, thereby providing for adequate coverage according to risk assessment, its own capabilities and the insurance market conditions.

The Group ensures the appropriateness of its insurance policies in relation to its requirements.

The major insurance policies subscribed to by the Group are listed below, followed by category of major risks covered (information below is provided purely on an indicative basis), other than those concerning Ventadis, which has its own insurance policies (information provided below is for information only).

PROPERTY DAMAGE INSURANCE

- Policy: Industrial and professional block policy

Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies.

Cover: damages to a maximum of €50.0 million per loss per year of cover.

- Policy: All risks for IT and technical equipment

Insured parties: MÉTROPOLE TELEVISION, its subsidiaries and/or related companies.

Cover: monetary damages arising from all direct material losses and all direct material damages caused to equipment to a maximum of €40.0 million per loss per year of cover.

GENERAL PUBLIC LIABILITY INSURANCE

Policy: Operational and professional liability

Insured parties: METROPOLE TELEVISION, its subsidiaries and/or related companies, groups created by or for personnel, legal representatives and agents of the insured;

Cover: monetary damages arising from personal injury, property damage or moral prejudice caused to third parties by the Group's operations, of between €15.0 million and €16.0 million (depending on the subsidiary) per loss for all professional liability type damages and of between €2.3 million and €7.0 million (depending on the subsidiary) per loss per year of cover for all civil liability type damages.

CORPORATE OFFICERS' GENERAL LIABILITY INSURANCE

Insured parties: METROPOLE TELEVISION, its senior executives and Board members of Métropole Télévision and its subsidiaries.

Cover: monetary damages arising from Board members and senior management civil liability up to a maximum of €200.0 million per loss per insured period.

The annual cost of these insurance premiums for the year 2019, as well as all other contracts (particularly Ventadis' policies and production-related insurance) was approximately €1.1 million (excluding the share of equity-accounted entities). All of M6 Group insurance contracts were renewed in 2020 on similar bases as those of 2019.

There are no captive insurance companies within the Group.

2

CORPORATE GOVERNANCE



This second section of the Universal Registration Document represents the Supervisory Board Report on corporate governance drafted in accordance with the last paragraph of Article L. 225-68 of the French Commercial Code. Pursuant to this provision, this Report includes the information referred to in Articles L. 225-37-3 to L. 225-37-5 of the French Commercial Code as well as the Supervisory Board's observations on the Report of the Executive Board and the financial statements for the year.

This report, prepared under the responsibility of the Supervisory Board with the support of the Finance Department, was reviewed by the Audit Committee on 12 February 2020. All the procedures that enabled the preparation of this Report have been presented to the Supervisory Board which approved their terms in its meeting of 13 February 2020.

The information concerning corporate governance was established based on various internal documents (Bylaws, Rules of Procedure and Minutes of the Supervisory Board and its committees, etc.).

As regards corporate governance, the Company refers to the Corporate Code of Governance for listed companies of December 2008, updated in April 2010, June 2013, November 2015, November 2016, June 2018 and January 2020, prepared by AFEP-MEDEF. The AFEP-MEDEF Code can be obtained from www.medef.com.

The authors also took into account current regulations, Autorité des Marchés Financiers (AMF) reports and recommendations regarding corporate governance and internal control, the AMF working group's report of 22 July 2010 on the Audit Committee, the AMF's reference framework on internal control and risk management mechanisms, as well as best practices.

As required by law and the Paragraph 27.1 of the AFEP-MEDEF Code, the Company stated that it has disregarded the following recommendations of the said Code:

<p>Recommendation §22 of the Code: <u>Concurrent employment contract and corporate officer status:</u> it is recommended that the employment contract is terminated by mutual agreement or resignation when an employee becomes a corporate officer.</p>	<p>Justification At its meeting of 5 May 2014, the Supervisory Board decided to renew in advance the term of office of the Executive Board for three years from 25 March 2015, i.e. until 25 March 2018. On this occasion, the Supervisory Board firstly decided not to change the individual remuneration of the members of the Executive Board, and secondly, it renewed its 1990 decision to maintain the (suspended) employment contract of Nicolas de TAVERNOST. The creation of the channel M6 in 1987 was only possible through the combination of the drive of its historical shareholders and the energy invested by the initial salaried staff, including Nicolas de TAVERNOST. When he was appointed as a corporate officer in 1990, the shareholders sought to maintain that initial employment contract (suspended) since the future of the channel was not assured at that time. The Group's subsequent development, the result of the work carried out by its management, and the evolution of its governance have never erased this particular relationship between the Group and one of its founders, justifying the continued suspension of the employment contract.</p>
<p>Recommendation §25.5 of the Code: <u>Departure of executive corporate officers:</u> the payment of severance pay to executive corporate officers must be ruled out if they elect to leave the company in order to hold a new position, or are assigned to another position within a group, or if they have the opportunity to retire.</p>	<p>Justification At its meeting of 21 February 2017, the Supervisory Board decided to renew the term of office of the Executive Board for three years, i.e. until 21 February 2020. On this occasion, the Supervisory Board decided to maintain the compensation mechanism in the event of the termination, for any reason whatsoever, of the duties of Nicolas de TAVERNOST. This commitment will not however apply in the event of dismissal for gross misconduct personally committed by Nicolas de TAVERNOST contrary to the interests of the Company. Moreover, the payment of this severance pay will remain subject to the fulfilment of a performance condition. This decision appeared justified to the Supervisory Board, given (i) the exceptional nature of Nicolas de TAVERNOST's contribution to the creation of the Company in 1987, to its continued growth and development and to his strong performance, year after year, since the creation of the Company, (ii) his agreement to continue his term of office, and (iii) his exclusivity commitment. It should be emphasised that the performance condition is measured over a period of 48 months (i.e. 4 years) while Paragraph 25.5 of the AFEP-MEDEF Code recommends that it is assessed over a minimum of two financial years. In a letter dated 7 October 2019, the HCGE asked the company to "<i>amend the severance pay clause as soon as possible to bring it into line with the Code's recommendations</i>". The request involved removing the option for Nicolas de TAVERNOST to receive his severance pay in the event of his retiring. At its meeting of 13 February 2019, the Supervisory Board decided not to comply with the request, given: <ul style="list-style-type: none"> ● the exceptional nature of Nicolas de TAVERNOST's contribution to the creation of the Company in 1987, to its continued growth and development, to strong performance, year after year, since the Company was created, ● the agreement of the party concerned to continue his term of office; ● said party's commitment to exclusivity. The shareholders also supported this position with a vote of 80.93% in favour of the Resolution of the General Meeting of 26 April 2017 on severance pay, and votes of 85.89%, 98.84% and 99.68% in 2017, 2018 and 2019 respectively in favour of the remuneration policy relating to the Chairman of the Executive Board. As such, the Board noted that it was in compliance with the Law and had fully justified its decision to reject one of the recommendations of the AFEP-MEDEF Code, and to do so not only in the Company's interests but also in those of its shareholders.</p>

2.1 SUPERVISORY BOARD

The Combined General Meeting of 26 May 2000 approved the adoption of the two-tier management structure comprising a Supervisory Board and an Executive Board. This organisation creates a separation between the management functions performed by the Executive Board and the management control functions devolved to the Supervisory Board, the shareholder representative body. The Group has retained this organisational structure, considering it to be the best guarantee of the balance of powers for the benefit of all stakeholders.

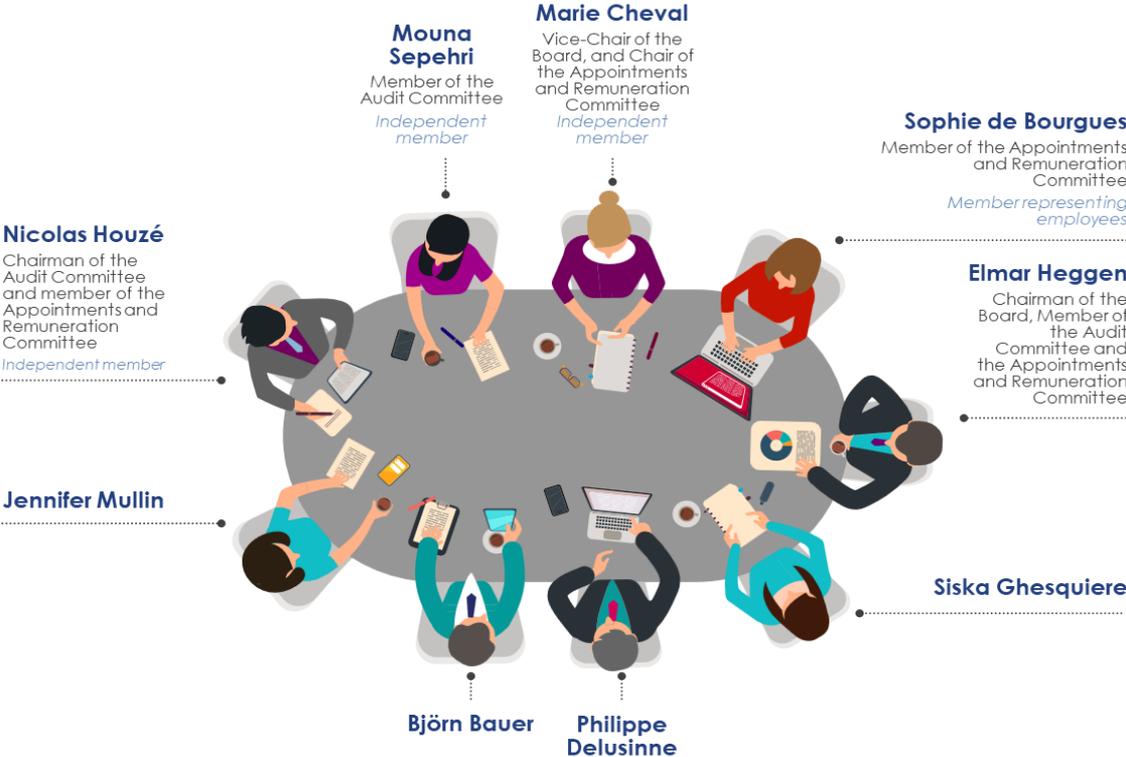
2.1.1 Composition of the Supervisory Board

At the date of preparation of this report, the Supervisory Board of Métropole Télévision consisted of 9 members, all individuals (including the member representing employees).

One member of the Supervisory Board (Sophie de BOURGUES) was appointed in accordance with Article L. 225-79-2 of the French Commercial Code by the Social and Economic Committee of 13 October 2018 and represents employees.

Members are appointed for a period of 4 years subject to bylaw provisions relating to staggered terms of office (Article 20.2 of the Bylaws).

On the date of preparation of this document, members of the Supervisory Board were as follows:



Member of the Supervisory Board	Personal details				Experience	Board position				
	Age	Gender	Nationality	Number of M6 shares held	Number of terms of office in non-Group listed companies	Independence	Date of first appointment	Expiry date of appointment	Length of service on the Board	Duties within the Company
Elmar Heggen	52	M	German	100	1		22/11/2006	2020	13 years	Chairman of the Board, Member of the Audit Committee and the Remuneration and Appointments Committee
Björn Bauer	40	M	German	100	0		11/12/2019	2022	0 year	
Sophie de Bourgues*	45	F	French	14,600	0		13/10/2018	2022	1 year	Member of the Remuneration and Appointments Committee
Marie Cheval	45	F	French	200	2	I	19/04/2018	2022	2 years	Vice-Chair of the Board and Chair of the Remuneration and Appointments Committee.
Philippe Delusinne	62	M	Belgian	100	0		28/07/2009	2020	10 years	
Siska Ghesquiere	39	F	Belgian	100	0		11/12/2019	2023	0 year	
Nicolas Houzé	44	M	French	100	0	I	19/04/2018	2022	2 years	Chairman of the Audit Committee and Member of the Remuneration and Appointments Committee
Jennifer Mullin	55	F	American	100	0		31/01/2019	2022	2 years	
Mouna Sepehri	56	F	French	100	0	I	03/05/2012	2020	7 years	Member of the Audit Committee

* Member representing employees

In 2019, several changes were made to the composition of the Board:

- with the co-option of Jennifer MULLIN on 31 January 2019, which was approved by the General Meeting of 25 April 2019;
- with the resignation of Bert HABETS on 20 April 2019;
- with the expiry of the terms of office of Sylvie OUZIEL, Immobilière Bayard d'Antin represented by Catherine LENOBLE, and Gilles SAMYN at the General Meeting of 25 April 2019;
- with the appointment by the Supervisory Board of Marie CHEVAL as Vice-Chair of the Supervisory Board on 25 April 2019;
- with the co-option of Björn BAUER and Siska GHESQUIERE, replacing the resigning Vincent de DORLODOT and Juliette VALAINS, on 11 December 2019.

	Exit	Appointment	Reappointment
Supervisory Board		Jennifer Mullin (31/01/2019)	
	Bert Habets (20/04/2019)		
	Sylvie Ouziel (25/04/2019)		
	Immobilière Bayard d'Antin, represented by Catherine Lenoble (25/04/2019)		
	Gilles Samyn (25/04/2019)		
			Juliette Valains (25/04/2019)
	Vincent de Dorlodot (11/12/2019)	Björn Bauer (11/12/2019)	
	Juliette Valains (11/12/2019)	Siska Ghesquiere (11/12/2019)	
Remuneration and Appointments Committee	Gilles Samyn (25/04/2019)	Nicolas Houzé (25/04/2019)	
Audit Committee	Gilles Samyn (25/04/2019)		

The changes to the composition of the Board, which will be proposed at the next General Meeting, are detailed in the Executive Board's Report to the General Meeting, in Section 7.2 of this Document.

In accordance with §19.4 of the AFEP-MEDEF Code, no Supervisory Board member holds more than four terms of office within non-Group listed companies, including at international level.

ASSESSMENT OF THE INDEPENDENCE OF SUPERVISORY BOARD MEMBERS

In accordance with the rules of governance set by the Rules of Procedure of the Supervisory Board and based on the Code of Corporate Governance for Listed Companies issued by AFEP-MEDEF and revised in January 2020, and pursuant to Addendum n° 3 to the Agreement between the Company and the Conseil Supérieur de l'Audiovisuel, the Supervisory Board considered that at least one third of its members is independent after considering each of their individual positions.

As such, as of today's date 3 members of the Supervisory Board are independent within the meaning of the AFEP-MEDEF Code, whose criteria for determining independence and applied by the Company are listed below. The Company thus complies with the proportion of one third recommended by the AFEP-MEDEF Code.

These 3 members are:

- Marie CHEVAL,
- Mouna SEPEHRI,
- Nicolas HOUZÉ.

The members of the Board possess great experience which they make available to the Supervisory Board of Métropole Télévision.

According to the Supervisory Board's rules of procedure, a member is considered to be independent if he/she satisfies the following criteria on the date upon which his/her status as an independent member is assessed:

- Criterion 1: Not to be, or have been for the previous five years, an employee or an executive corporate officer of the Company, an employee, an executive corporate officer or a member of the Supervisory Board of a company consolidated by the Company, or an employee, an executive corporate officer or a member of the Board of its parent company or a company it consolidates;
- Criterion 2: Not to be an executive corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office for less than five years) is a director;
- Criterion 3: Not to be a customer, supplier, investment banker, commercial banker or consultant:
 - that is material to the Company or its Group,
 - or for which the Company or its Group accounts for a significant part of its business.
- Criterion 4: Not to be a member of a Company corporate officer's immediate family;
- Criterion 5: Not to have been a Statutory Auditor of the Company within the previous five years;
- Criterion 6: Not to be a member of the Supervisory Board of the Company for more than twelve years, it being specified that the loss of status as an independent director under this criterion occurs at the end of a 12-year period;
- Criterion 7: The Chairman of the Supervisory Board cannot be considered an independent member if they receive variable remuneration in cash or securities, or any other component of remuneration based on the Company's or the Group's performance;
- Criterion 8: Not to (i) represent a shareholder of the Company or its parent company, participating in the control of the Company, and (ii) the Board should, based on a report of the Remuneration and Appointments Committee, question the independence of persons with a shareholding or Company voting rights in excess of a threshold of 10%, taking into consideration the composition of the Company's share capital and the potential conflict of interests.

It is specified that within public limited companies with Executive and Supervisory Boards, executive corporate officers refer to the Chairman and members of the Executive Board.

The Board is required to verify, at least once a year, that the members or candidates for the positions of members fulfil the independence criteria listed below.

At its meeting of 13 February 2020, the agenda of which included the annual review of the independence of Board members, the Board particularly focused on the concept of significant business links. It more specifically checked that the volume of advertising business done with groups with whom certain of its independent members have links does not contribute significantly to the Group's revenue. It also addressed the question of the potential volume of services or purchases of external services that the Group may have carried out with groups to which certain of its independent directors are connected.

To this end, it reviewed the amounts of the transactions effected with each of the groups within which independent members of the Board performed management duties during the financial year (Renault for Mouna SEPEHRI, Carrefour for Marie CHEVAL, and Galeries Lafayette for Nicolas HOUZÉ) and compared them with the Group's revenues in 2019. The Board considers that these figures cannot not be made public, to avoid disclosing information that could prove useful to rival companies. However, it has been able to gauge that these figures did not materially differ from those of competitors to compromise independence.

In view of these elements, the Supervisory Board has found that M6 does not have significant business relationships or any business relationship with the companies in which the independent board members hold executive positions.

Summary table on the status of members of the Supervisory Board in relation the independence criteria set out by the AFEP-MEDEF Code

Criteria	Marie Cheval	Mouna Sepehri	Nicolas Houzé	Elmar Heggen	Jennifer Mullin	Siska Ghesquiere	Philippe Delusinne	Björn Bauer	Sophie de Bourgues
Criterion 1: Employee and corporate officer during the previous 5 years	✓	✓	✓	✓	✓	✓	✓	✓	X
Criterion 2: Cross-directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 3: Significant business relationships	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 4: Family connection	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Statutory Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 6: Duration of term of office of more than 12 years	✓	✓	✓	X	✓	✓	✓	✓	✓
Criterion 7: Status of non-executive corporate officer	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 8: Status of major shareholder	✓	✓	✓	X	X	X	X	X	✓
Independent member	0	0	0						

SUPERVISORY BOARD DIVERSITY

In accordance with the provisions of Article L 225-37-4 6° of the French Commercial Code and the recommendation of the AFEP-MEDEF Code (§ 6.2), the Supervisory Board regularly considers what would be its desired composition and that of its Committees. Diversity is essential for the Board since it gives rise to energy, creativity and achievement and ensures the quality of the Board's discussions and decisions.

The Board firstly ensures that the skills of its members are diverse, in line with long-term strategic priorities, and cover television, digital, marketing, governance, the operation direction of the companies, international experience, finances, etc., equally well.

The Board also pays particular attention to synergies between its membership, as well as to their relevance to M6's strategy, and to the balance between longer serving members and those more recently appointed, leading to a combination of dynamism and experience within the Board.

Furthermore, the diversity of the Board's make-up is also ensured by the duration of the terms of office (4 years) and the staggered nature of their expiry dates.

The criteria for selecting new members of the Board proposed at each General Meeting also include promoting diversity amongst its members in relation to nationality, gender and age based criteria.

As such, as of the date of preparation of this Document, and excluding the member representing employees:

- The Board is geographically diverse, with 63% non-French members (vs. 50% a year earlier). Of the members of the Board, three are French, four are "European" (two Belgian nationals and two German), and one is American.

The purpose of the Board is to continue to increase its international representation through the presence of non-French members of those with extensive international experience, which is the case for Jennifer Mullin, Björn Bauer and Siska Ghesquiere, who all joined the Supervisory Board in 2019.

- The Board has equal representation of men and women, as with its composition at 31 December 2018.

As regards male and female representation on the Board, we remind you that the Board comprised six female members (50% of the Board), which makes the Company compliant with the provisions relative to a "balanced male and female representation

within boards of directors and supervisory boards and gender equality at work” provided for by the provisions of Article L. 225-69-1 of the Commercial Code.

- The Board has become younger in recent years, from an average age of 57 at 31 December 2017, to 52 at 31 December 2018 and 49 at 31 December 2019.

SPECIFIC RULES TO BE FOLLOWED BY MEMBERS OF THE BOARD

The rules of procedure provide that acceptance by a member of the Board of a new term of office in a listed company, or a company outside the Group that is likely to be in competition with one of the Group’s activities, must be communicated to the Board in advance.

In 2019, no member informed the Supervisory Board of such an appointment.

Furthermore, each new member is offered training in the form of a series of interviews with the Group’s main operational directors and is also provided with detailed documentation on the Group’s governance, strategy and business sectors. Each member, should they consider it necessary, can receive additional training relating to the specific features of the Company, its fields of expertise and its challenges in terms of corporate and social responsibility.

In this way, Sophie de BOURGUES, Board member representing employees, completed several training courses at the IFA (Institut de Formation des Administrateurs or director’s training institute) in 2019.

Lastly, as regards the setting of a minimum number of shares that the executive corporate officers and in particular the Chairman of the Supervisory Board must retain as registered shares until the termination of their duties, pursuant to Paragraph 23 of the AFEP-MEDEF Code, the Supervisory Board, upon proposal from the Remuneration and Appointments Committee considered that the 100 shares that must be retained notably by the Chairman of the Supervisory Board in accordance with the provisions of Article 21 of the Bylaws was significant and satisfied this recommendation of the AFEP-MEDEF Code.

At 31 December 2019, as detailed in the first table of Paragraph 2.1.1 of this Document, each Board member holds a minimum of 100 Métropole Télévision shares.

PRESENTATION OF THE MEMBERS

ELMAR HEGGEN

	52 German Member of the Board since 22 November 2006 Term of office to expire in 2020 Number of Company shares held: 100 Chairman of the Board, Member of the Audit Committee and the Remuneration and Appointments Committee
---	--

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Elmar Heggen, a German national, graduated in business management from the European Business School and holds an MBA in Finance. He began his career in 1992 with the Félix Schoeller group. He became Vice-Chairman and CEO of Felix Schoeller Digital Imaging in the United Kingdom in 1999 and joined the Corporate Center of RTL Group in 2000 as Vice-President – Mergers and Acquisitions. In January 2003, he was appointed Senior Vice-President - Investment and Control activities, and fulfilled the role of Vice-President - Control and strategy from July 2003 to December 2005. He has been a member of RTL Group's Management team since January 2006. On 1 October 2006, Elmar Heggen was appointed Chief Financial Officer and Chairman of the Corporate Center of RTL Group. On 18 April 2012, he was appointed as Executive Director of RTL Group S.A. In 2019, he was appointed Chief Operating Officer of RTL Group S.A.

OTHER APPOINTMENTS AND DUTIES

- Chief Financial Officer, Head of Corporate Center and Luxembourg Activities RTL Group S.A.,
- Co-CEO of RTL Group S.A., (listed group, Luxembourg)
- Chairman of the Board of Broadcasting Center Europe S.A. (Luxembourg); of Media Assurances S.A. (Luxembourg); of Duchy Digital S.A. (Luxembourg); of Media Real Estate S.A. (Luxembourg),
- Member of the Supervisory Board of RTL Nederland Holding BV (Netherlands),
- Director of CLT-UFA S.A. (Luxembourg); of RTL Group Germany S.A. (Luxembourg); of RTL Belgium S.A. (Belgium); of Immobilière Bayard d'Antin S.A. (France); of Atresmedia Corporacion de Medios de Comunicacion S.A. (listed company, Spain, but an RTL Group subsidiary); of RTL Belux S.A. (Luxembourg); of Style Haul Inc (USA) and Style Haul UK Ltd (UK); of SpotX Inc (USA); of Broadcasting Center Europe International S.A. (Luxembourg); of RTL AdConnect International S.A. (Luxembourg),
- Manager of RTL Group Services GmbH (Germany); of UFA Film und Fernseh GmbH (Germany); of UFA Film und Fernseh GmbH (Germany); of RTL Group Vermögensverwaltung GmbH (Germany); of RTL Group GmbH (Germany); of RTL Group Central and Eastern Europe GmbH (Germany); of RTL Group Licensing Asia GmbH (Germany); of RTL Group Financial Services GmbH (Germany),
- Chairman of the Management Committee of Media Properties Sarl (Luxembourg),

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Director of INADI S.A. (Belgique), of RTL 9 S.A. (Luxembourg);
- Director of RTL TV Doo (Serbia) and IP France S.A. (France) as permanent representative of Immobilière Bayard d'Antin S.A., Broadband TV Corp (Canada); of 0971999 B.C. Ltd (Canada); Viso Online Video Productions Inc (Canada); TGN Game Communities Inc (Canada); Broadband TV (USA) Inc (USA); Broadcasting Center Europe International AB (Luxembourg),
- Chairman of the Board of Directors of BeProcurement S.A. (Luxembourg), of MP B S.A. (Luxembourg), of MP D S.A. (Luxembourg), of MP E S.A. (Luxembourg) and MP H S.A. (Luxembourg);
- Member of the Supervisory Board of Ediradio S.A. (France) as permanent representative of Immobilière Bayard d'Antin S.A. ;
- CEO of RTL Group Central and Eastern Europe S.A. (Luxembourg);
- Chairman of the Board of Directors of RTL Group Services Belgium SA (Belgium);
- Chairman of the Supervisory Board of RTL Nederland Holding BV (Netherlands);
- Manager of RTL Television GmbH (Germany);
- Independent non-executive director of Regus PLC (listed company, UK).

BJÖRN BAUER

	40 German Member of the Board since 11 December 2019 Term of office to expire in 2022 Number of Company shares held: 100
---	---

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

A German national and a graduate in business administration, Björn Bauer started his career in 2005 at the consultancy firm Arthur D. Little. He joined Bertelsmann in 2007, where he held successive positions in Corporate Controlling and Strategy.

In February 2015, Björn Bauer was appointed Head of M&A at the American online learning provider Relias, recently acquired by Bertelsmann. In September 2015, he was appointed CFO of Relias. He returned to Gütersloh, Germany, in January 2019 as Bertelsmann's Executive Vice President for Corporate Controlling and Strategy. Björn Bauer has been CFO of RTL Group since August 2019.

OTHER APPOINTMENTS AND DUTIES

- Chief Financial Officer of RTL Group S.A. (Luxembourg)
- Manager of RTL Group GmbH (Germany)
- Member of the Supervisory Board of RTL Nederland Holding B.V.

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Nil

SOPHIE DE BOURGUES



45
French
Member of the Board since 13 October 2018
Term of office to expire in 2022
Number of Company shares held: 14,600
Member of the Remuneration and Appointments Committee

BIOGRAPHY AND PRINCIPAL DUTIES

After a Master's degree in Insurance Law and Liability at Paris XII University, Sophie de Bourgues graduated in 1999 with a practising certificate from Paris law school, the École de Formation du Barreau de Paris.

She began her career with M6 in 2000 and in 2014 became Deputy General Counsel in charge of litigation and pre-litigation. She centralises the legal cases in the fields of press, privacy, literary and artistic property, brand names, unfair business practices, contract law, unfair competition and parasitism, and collective proceedings involving the Group's TV channels, radio stations and subsidiaries.

OTHER APPOINTMENTS AND DUTIES

- Nil

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Nil

MARIE CHEVAL



45
French
Independent member of the Board since 19 April 2018
Term of office to expire in 2022
Number of Company shares held: 200
Vice-Chair of the Board and Chair of the Remuneration and Appointments Committee

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Marie Cheval is a graduate of Institut d'Études Politiques de Paris and École Nationale de l'Administration (ENA). In 1999, she joined the French General Inspectorate of Finance.

From 2002 to 2011, she held a number of positions with the La Poste Group: Director of Financial Services Strategy for La Poste and later for La Banque Postale, she was appointed Marketing and Sales Director in 2006 and Director of Operations in 2009.

In 2011, Marie CHEVAL joined the Société Générale Group as Director of Global Transactions and Payment Services. She was appointed Chief Executive Officer of Boursorama, a Société Générale subsidiary, in 2013.

In October 2017, Marie CHEVAL joined Carrefour Group as Executive Director Customers, Services and Digital Transformation. She is one of 14 members of the Executive Committee of Carrefour Group.

She is currently Executive Director Hypermarkets France and of Financial Services.

OTHER APPOINTMENTS AND DUTIES

- Director of Carmila (a listed company, France)
- Director of Laurent Perrier (a listed company, France)
- Director of Carrefour Banque
- Director of Market Pay

Marie CHEVAL has 2 terms of office in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (4 within non-Group listed companies) set out by Paragraph 19.4 of the Afep-Medef Code.

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Director of FNAC Darty
- Director of Boursorama
- Director of Sogecap
- Director of Visa Europe
- Chair of the Supervisory Board of OnVista Bank GmbH
- Member of the Supervisory Board of OnVista (holding) AG
- Chair of the Board of Directors of SelfBank
- Chair of the Board of Directors of Talos Holding
- Chair of Carrefour Omnicanal
- Chair of Digital Media Shopper
- Director of SRP Groupe

PHILIPPE DELUSINNE

	62 Belgian Member of the Board since 28 July 2009 Term of office to expire in 2020 Number of Company shares held: 100
---	---

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Philippe Delusinne began his career in 1982 as Account Executive for Ted Bates. He then joined Publicis as Account Manager. In 1986, he transferred to Impact FCB as Client Service Director. In 1988, he was appointed Deputy General Manager at McCann Erickson and in 1993 became Chief Executive Officer of Young & Rubicam. Philippe Delusinne has been Chief Executive Officer of RTL Belgium since March 2002.

OTHER APPOINTMENTS AND DUTIES

- CEO of RTL Belgium S.A. and Radio H S.A.
- Permanent representative of CLT-UFA, CEO of Cobelfra S.A. and Inadi S.A.
- CEO of RTL Belux S.A. & Cie SECS and CEO of RTL Belux S.A.
- CEO and Chairman of the Board of Directors of IP Belgium S.A.
- Permanent representative of CLT-UFA S.A., CEO and Chairman of New Contact S.A.
- Director of CLT-UFA S.A.
- Director of Agence Télégraphique Belge de Presse
- Director of MaRadio.be SCRL
- Director of l'Association pour l'Autorégulation de la Déontologie Journalistique
- Member of Conseil Supérieur de l'Audiovisuel (Belgium)
- President of Théâtre Royal de La Monnaie
- President of Amis des Musées Royaux des Beaux-Arts de Belgique asbl
- Independent Director of CFE S.A.
- Vice-President of B19 Business Club

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Representative of CLT-UFA, CEO of Mint Radio S.A.
- Director of BeWeb SA
- Vice-Chairman of B.M.M.A. (Belgian Management & Marketing Association)
- Director of FRONT SA
- Chairman of Association des Télévisions Commerciales Européennes (A.C.T.) (2009/2014)
- Director and Chairman of the Board of Directors of Home Shopping Service Belgium S.A.

SISKA GHESQUIERE



39
Belgian
Member of the Board since 11 December 2019
Term of office to expire in 2023
Number of Company shares held: 100

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Siska Ghesquiere was appointed General Counsel and Head of M&A of RTL Group in February 2020.

Graduating in Law from Leuven University (Belgium) in 2004, she also secured a Master of Laws (LL.M.) from the University of Chicago Law School (USA) in 2005, the same year she began her career as a lawyer at Linklaters LLP. In 2012 she joined the legal division of RTL Group, before becoming, in 2018, VP Global Operations Management MPN Business, and subsequently Vice President Mergers & Acquisitions following completion of an executive MBA at the graduate business school, INSEAD.

OTHER APPOINTMENTS AND DUTIES

- General Counsel of RTL Group S.A.
- Director of Magyar RTL Televízió Zártkörűen Működő Részvénytársaság (Hungary), U Screens AB (Sweden), 1189065 BC Ltd. (Canada), Broadband TV Corp (Canada), Broadband TV (USA) Inc (USA), TGN Game Communities Inc (Canada), Visio Online Video Productions Inc (Canada), 0971999 B.C. Ltd (Canada), Yoboho New Media Private Limited (India), SpotX inc (USA), RTL US Holding Inc, RTL Canada Ltd (Canada)

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Director of RTL Group Germany S.A. (Luxembourg)

NICOLAS HOUZE



44
French
Independent Member of the Board since 19 April 2018
Term of office to expire in 2022
Number of Company shares held: 100
Chairman of the Audit Committee and Member of the Remuneration and Appointments Committee

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Nicolas Houzé has been a member of the Executive Board of Galeries Lafayette since 2009 and has been CEO of Galeries Lafayette and BHV Marais since 2013.

He started his career within the advisory firm A.T. Kearney and then the investment bank Deutsche Bank, before joining Monoprix in 1998, where he held various operational functions. In particular, he launched in 2003 the proximity concept of Monoprix, “Monop”.

In 2006, Nicolas Houzé spent a year working for INSEAD in both Fontainebleau and Singapore, before taking the lead of the watchmaking division of Galeries Lafayette Group, which included the Louis Pion and RQZ-Royal Quartz Paris brands.

From 2011 to 2013, he was Deputy CEO of the Department Stores division, which included Galeries Lafayette and BHV MARAIS.

OTHER APPOINTMENTS AND DUTIES

- Member of UCV (Union du Grand Commerce de Centre-Ville)
- Director of Lafayette Anticipations - Fondation d’Entreprise Galeries Lafayette (Founders’ Board)
- Member of the Supervisory Board of La Redoute SAS

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Chairman of Guérin Joaillerie (March 2015)
- Chairman of Immobilière du Marais (September 2015)

JENNIFER MULLIN



55
American
Member of the Board since 31 January 2019
Term of office to expire in 2022
Number of Company shares held: 100

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

Jennifer Mullin was appointed CEO of Fremantle Group on 1 September 2018, assuming overall responsibility of the Group, including performance and strategy.

She was previously CEO of FremantleMedia North America. In this critical division, she led the development, production and management of more than 900 hours of content including *American Gods*, *America's Got Talent*, *American Idol*, *Family Feud*, *Match Game* and *The Price is Right*.

Jennifer Mullin joined the US business in 2005 as Senior Vice President of Current Programming, before being appointed Executive Vice-President in 2012, co-CEO in 2015 and sole CEO in May 2017.

Before joining Fremantle, she worked as an executive producer for companies including Paramount, Telepictures and Universal.

OTHER APPOINTMENTS AND DUTIES

- CEO of FremantleMedia Group
- Director of 3 Doors Productions Inc (USA), 495 Productions Holdings LLC (USA), 495 Productions Services LLC (USA), ACI Communications Inc (USA), American Idol Productions Inc (USA), Amydala Records Inc (USA), Big Balls LLC (USA), Big Break Productions Inc (USA), Blue Orbit Productions Inc (USA), Cathedral Technologies LLC (USA), Complex Properties Inc (USA), FCB Productions Inc (USA), Fremantle International Inc (USA), Fremantle Licensing Inc (USA), Fremantle Productions Inc (USA), Fremantle Productions North America Inc (USA), Fremantlemedia Latin America Inc (USA), Fremantlemedia North America Inc (USA), Good Games Live Inc (USA), Haskell Studio Rentals Inc (USA), Kickoff Productions Inc (USA), Little Pond Television Inc (USA), Mad Sweeney Productions Inc (USA), Marathon Productions Inc (USA), Max Post Inc (USA), Music Box Library Inc (USA), OP Services Inc (USA), Original Productions Inc (USA), P&P Productions Inc (USA), Pajama Pants Productions LLC (USA), Studio Production Services Inc (USA), TCF Productions Inc (USA), Terrapin Productions Inc (USA), The Price Is Right Productions Inc (USA), Tick Tock Productions Inc (USA), Tiny Riot Inc (USA), Triple Threat Productions Inc (USA), Wanderlust Productions Inc (USA)

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Director of All American Music Group (USA), Fremantle Goodson Inc (USA), Krasnow Productions Inc (USA), Mark Goodson Productions LLC (USA), Reg Grundy Productions Holdings Inc (USA), The Baywatch Production Company (USA), FCB Productions Inc (USA), Fremantle Productions Music Inc (USA).

MOUNA SEPEHRI

	56 French Independent Member of the Board since 03 May 2012 Term of office to expire in 2020 Number of Company shares held: 100 Member of the Audit Committee
---	--

BIOGRAPHY AND PRINCIPAL DUTIES OUTSIDE THE COMPANY

A law school graduate and member of the Paris Bar Association, Mouna SEPEHRI began her career in 1990 as a lawyer based first in Paris and then in New York, specialising in mergers and acquisitions and in corporate international law. Mouna Sepehri joined Renault in 1996 as Deputy General Counsel. She was an integral part of Renault's international expansion and the formation of the Renault-Nissan Alliance (1999) in her capacity as a member of the original negotiating team.

Mouna Sepehri joined the Office of the CEO in 2007 and was in charge of the management of the Cross-Functional Teams (CFTs).

In 2009, Mouna Sepehri was appointed Director of the CEO Office and Secretary of the Renault-Nissan Alliance Board. In 2010, she also became a member of the Steering Committee on the Alliance cooperation with Daimler. As part of this assignment, Mouna Sepehri was responsible for the implementation of Alliance synergies, for coordinating strategic cooperation and for driving new projects.

In 2011, Mouna Sepehri joined Renault Group's Executive Committee as Executive Vice President, Office of the CEO. She oversees the following functions: Legal Department, Public Affairs Department, Communications Department, Corporate Social Responsibility Department, Real Estate & Corporate Services Department, Prevention and Group Protection Department, as well as overseeing Cross-Group Teams, the Programme for Economic Efficiency of Running Costs and the Strategy Department.

In 2019, Mouna Sepehri was appointed Special Advisor to the CEO of Renault Group. She is a member of the Management Committee.

OTHER APPOINTMENTS AND DUTIES

- Member of the Management Committee of Renault (a listed company, France)

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Executive Vice-President, Office of the CEO Renault-Nissan Alliance, Renault, a listed company (France)
- Director of Nexans, a listed company (France)
- Director of Danone (a listed company, France)
- Director of Orange (a listed company, France and New York)

2.1.2 Operation of the Supervisory Board

The Supervisory Board exercises permanent control over the management of the Company and its subsidiaries by the Executive Board and grants the latter the prior approval for transactions that it may not perform without such authorisation, in accordance with the provisions of Article 24.3 of the Bylaws.

Throughout the year, the Supervisory Board performs whatever verifications and checks it considers appropriate and may call for any documents it requires to perform its duties.

In addition, the Supervisory Board's internal rules may be consulted on the Group's website www.groupem6.fr.

CONDITIONS OF PREPARATION OF THE WORK OF THE SUPERVISORY BOARD

More than four working days prior to each of its meetings, the Executive Board provides members of the Supervisory Board with all necessary information and documents to prepare their meetings, in the form of a file covering all items of the agenda and presenting Group operations during the last quarter as well as the various projects submitted for approval by the Board.

Each member of the Supervisory Board is also provided with all the Company's corporate communications throughout the year.

In accordance with its rules of procedures, the Board is informed on a quarterly basis of the Company's financial position and cash flow as well as its commitments.

The Social and Economic Council representative also benefits from the same information within the same timeframes as Supervisory Board members.

SUPERVISORY BOARD MEETINGS

Notices of meetings are sent in writing by the Chairman to Board members and the Social and Economic Council representative on average ten days before the date of the meeting.

The Supervisory Board meets as often as required in the interests of the Company and at least quarterly. It met 7 times in 2019. The overall attendance rate of the members of the Supervisory Board is calculated for the effective period of the term of office in 2019. This rate was 80% and may be analysed as follows:

	Meetings of the Supervisory Board							Attendance rate ***
	31 January 2019	19 February 2019	25 April 2019	31 July 2019	16 October 2019	29 October 2019	11 December 2019	
Elmar Heggen	✓	✓	✓	✓	✓	X	✓	86%
Sophie de Bourgues **	✓	✓	✓	✓	✓	✓	✓	100%
Marie Cheval *	✓	✓	✓	✓	✓	✓	✓	100%
Philippe Delusinne	X	✓	✓	✓	X	✓	✓	71%
Nicolas Houzé *	✓	✓	✓	✓	✓	✓	X	86%
Jennifer Mullin	N/A	X	X	X	✓	✓	X	33%
Mouna Sepehri *	X	X	✓	✓	✓	✓	✓	71%
Björn Bauer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Siska Ghesquiere	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vincent de Dorlodot	✓	✓	✓	✓	✓	✓	✓	100%
Juliette Valains	✓	✓	✓	✓	✓	X	✓	86%
Gilles Samyn *	✓	✓	N/A	N/A	N/A	N/A	N/A	100%
Immobilière Bayard d'Antin represented by Catherine Lenoble	✓	X	N/A	N/A	N/A	N/A	N/A	50%
Sylvie Ouziel *	X	✓	N/A	N/A	N/A	N/A	N/A	50%
Bert Habets	✓	X	N/A	N/A	N/A	N/A	N/A	50%
TOTAL	75%	69%	89%	89%	89%	78%	78%	80.0%

* Independent Member ** Member representing employees *** Attendance rate as from appointment ✓ indicates present and X indicates absent. N/A means that the member had not yet joined the Board or was not a member thereof on the date of the meeting.

Minutes are prepared at the end of every Board meeting. These are formally approved at the following Supervisory Board meeting.

The Statutory Auditors were specifically requested to attend the two Supervisory Board meetings at which the annual and interim financial statements were reviewed.

At each meeting and at least once each quarter, the Executive Board presented a report to the Supervisory Board on the progress of the company's activities. Within three months from the end of the financial year, the Executive Board presented the Supervisory Board with the parent company and consolidated financial statements, for verification and control, accompanied by a written report on the Company's position and activity thereof during the course of the financial year.

Moreover, a Supervisory Board meeting took place outside the presence of the Executive Board members in accordance with Recommendation 11.3 of the AFEP-MEDEF Code.

STATUTORY RULES ON PRIOR APPROVAL

Pursuant to the provisions of Article 24.3 of the Bylaws, the following Executive Board decisions shall be subject to the Supervisory Board's prior approval:

- significant transactions which may impact Company and Group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding €20 million, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding €20 million, insofar as these divestments have not been budgeted;
- the issue of marketable securities of any type liable to result in changes in the share capital.

SUPERVISORY BOARD'S RULES OF PROCEDURE

At its first meeting on 20 May 2000, the Supervisory Board adopted its own rules of procedure, supplemented on 30 April 2003, 6 May 2008, 27 May 2012, 17 February 2015, 21 February 2017, 19 April 2018 and amended on 19 February 2019 (alignment with the latest legal and regulatory developments and the latest AFEP MEDEF recommendations), which primarily specified and supplemented the Company's Bylaws regarding its organisation and operation: in particular, arrangements for Board meetings, how the Board exercises its powers, as well as the composition, purpose and powers of its Committees.

It includes best practices and provides the Board with the resources to operate efficiently and better serve the Company and its shareholders. It reaffirms the Board's commitment to corporate governance rules and has been updated to include the latest recommendations from the AMF, the AFEP-MEDEF Code and the Poupart Lafarge report dated 22 July 2010.

It recalls the other obligations incumbent upon Supervisory Board members and in particular the obligation for every member of the Board to inform the Board of any situation involving a conflict of interests, even a potential one, between them and the Company or the Group.

Therefore, depending on the case, they shall:

- abstain from taking part in discussions and from voting on the corresponding deliberation,
- refrain from attending Board meetings during the period he/she is in conflict of interest, or
- resign his/her duties as member of the Board.

The Supervisory Board member may be held liable for their failure to comply with these rules of abstention or withdrawal.

Moreover, the Chairman of the Supervisory Board will not be required to forward to the members, about whom he has serious grounds for suspecting they are faced with a conflict of interests, the information or documents relating to the conflicting issue and will inform the Board that he has not handed over such information.

These Rules of Procedure are available on the Company's website (<http://www.groupem6.fr/finances/conseil-de-surveillance.html>).

MATTERS DISCUSSED BY THE SUPERVISORY BOARD IN 2019

The key matters discussed by the Supervisory Board during the 2019 financial year mainly concerned:

- interim and annual consolidated financial statements;
- the results for the quarters ended 31 March and 30 September 2019;
- the budget for the 2020 financial year;
- major investment projects, particularly in programming;
- acquisition of Lagardère's Television Division;
- the renewal of the share buyback agreement for subsequent cancellation and the treasury management agreement with RTL Group;
- the annual review of regulated agreements;
- the allocation of performance shares to certain employees and/or corporate officers;
- the renewal of the authorisation given to the Executive Board to grant deposits, guarantees and sureties;

- assessment of the independence of Supervisory Board members;
- self-assessment of the Supervisory Board's work;
- the appointment of a new Vice-Chair of the Supervisory Board;
- the co-option of a new member of the Supervisory Board;
- the appointment of a new member to the Remuneration and Appointments Committee.
- the apportionment of remuneration to the members of the Supervisory Board;
- consultation on gender equality at work and equal pay, in particular on gender balance;
- amendment of the Supervisory Board's Rules of Procedure,
- the main elements of M6's policy on sustainable development and Corporate Social Responsibility;
- the cyber-attack suffered on 12 October 2019.

The Executive Board also informed or sought the opinion of the Supervisory Board on various matters even where its prior approval was not necessary.

Lastly, the Supervisory Board met without the Executive Board in attendance at its meeting of 19 February 2019 in order to assess the latter's performance.

SELF-ASSESSMENT OF THE SUPERVISORY BOARD'S WORK

The Supervisory Board reviews its own *modus operandi* once a year at one of its meetings, using a questionnaire issued to each member to evaluate the Supervisory Board's operating rules, which each member completes anonymously.

This evaluation is structured into four chapters:

- Principles of Supervisory Board intervention,
- Composition of the Supervisory Board and relationship with the Executive Board,
- Holding of Supervisory Board meetings,
- Supervisory Board committees.

On this occasion, the actual contribution of each member of the Board is assessed. An evaluation analysis is then presented to the Board.

The following emerged from the 2019 review:

- Follow-up actions concerning the previous assessment procedures are satisfactory;
- The composition of the Board is appropriate, in terms of age, length of service, nationality, experience, etc. Consideration must nevertheless be given to improving its "digital" and "creative" (production) abilities;
- Meetings are organised efficiently; however, certain members would like to increase both their frequency and duration, in order to explore certain issues in greater detail;
- The Board has a very sound understanding of the Group's activities and challenges, thanks in particular to the quality of the information that it receives. Certain members suggest an area for improvement would be to devote more time to examining international competition;
- It considers that the scope of the subject matter covers all the Group's challenges;
- It considers that the decisions are well made and reasoned.

Moreover, the Board is pleased with the creation of the strategy seminar, which has been held in July for the past two years, notably enabling the members of the Board to meet the Group's main managers.

2.1.3 Committees of the Supervisory Board

The Supervisory Board has had the following two Committees in place since it was established in 2000:

- The Remuneration and Appointments Committee,
- The Audit Committee.

REMUNERATION AND APPOINTMENTS COMMITTEE

COMPOSITION

The rules of procedure of the Supervisory Board provide that the Remuneration and Appointments Committee, first set up in 2000, must be made up of a minimum of two and a maximum of five members, selected from the members of the Supervisory Board, of whom more than half are selected from the independent members. The member who represents employees is not counted in this percentage.

The Remuneration and Appointments Committee currently comprises four members appointed for the duration of their term of office as members of the Supervisory Board, including the member representing employees in accordance with § 17.1 of the AFEP-MEDEF Code.

Two thirds of its members are independent (excluding the member representing employees), in accordance with the rules of procedure and § 18.1 of the AFEP-MEDEF Code which requires the Committee comprise "a majority of independent members".

At 31 December 2019, the members of the Remuneration and Appointments Committee were the following:

		Date of first appointment	Expiry date of appointment	Attendance rate 2019 meetings ***
Marie Cheval *	Chair of the Committee	19 April 2018	2022	100%
Sophie de Bourgues **	Member	5 November 2018	2022	100%
Elmar Heggen	Member	19 April 2018	2020	100%
Nicolas Houzé * ***	Member	25 April 2019	2022	0%

* Independent Member. ** Member representing employees *** Attendance rate as from appointment

OPERATION

As defined in the rules of procedure, the Remuneration and Appointments Committee meets at least once a year and has the following responsibilities:

- to propose recommendations to the Board on all components of remuneration, including the pension and benefits plan, benefits in kind and various financial entitlements of the Chairman and Vice Chair of the Board, the other Members of the Board and the members of the Executive Board. With respect to the latter two categories of personnel, it makes recommendations on the granting of stock options of the Company and the allocation of performance shares;
- to issue a recommendation on the total budget and terms and conditions of apportionment of attendance fees to be allocated to Board members for their terms of office;
- to ensure compliance with the Group's individual and collective principles, values and code of conduct, applicable to all staff;
- to consider every candidate for appointment or replacement of any member of the Supervisory Board or the Executive Board;
- to prepare a succession plan for members of the Executive Board and the Chairman of the Supervisory Board;
- discuss the independence of Supervisory Board members;
- review the balance of the composition of the Supervisory Board in particular in accordance with the shareholding and gender distribution;
- annually evaluate the Board's work in order to help draft the report on corporate governance;
- ensure the prevention of conflicts of interest that could arise within the course of corporate life.

For each of its meetings, the Remuneration and Appointments Committee is provided with a file prepared by the Company to give the clearest possible insight into the implications of its decisions. Members of the Executive Board participate in certain meetings of the Committee in order to provide it with any information that may be useful.

SUCCESSION PLANNING FOR EXECUTIVE BOARD MEMBERS

The Remuneration and Appointments Committee also regularly reviews succession issues relating to Executive Board members in order to be able to propose solutions to the Supervisory Board in the event of a vacancy.

The Committee reviews these issues at the end of each three-year term of office of the Executive Board, and more specifically in the year that precedes it. Given that the current term of office expires on 20 February 2020, in 2019 the Committee will review the conditions for reappointing or changing the members.

In early 2019, as part of its preparatory work for the renewal of the Executive Board, the Remuneration and Appointments Committee recommended that the Executive Board propose to the Combined General Meeting of 25 April 2019 an amendment to the Bylaws to raise the age limit for Board members from 70 to 72, in order to give the Group greater flexibility in the implementation of the various scenarios envisaged regarding the replacement of the members and Chairman of the Executive Board.

This amendment to the Bylaws was 99.92% approved by said Meeting.

MATTERS DISCUSSED BY THE SUPERVISORY BOARD IN 2019

The Committee met 4 times in 2019 and ruled on:

- the calculation of the Executive Board members' variable remuneration for 2018;
- the definition of objectives for the calculation of Executive Board members' variable remuneration for 2019;
- the achievement of performance conditions for releasing the performance share allocation plan of 2017, with delivery on 28 July 2019, and 2018, with delivery on 26 July 2020;
- the fulfilment of the performance conditions for the LTIPs which require the attainment of a value creation target over a cumulative three-year period;
- the conditions for the annual allocation of performance shares;
- the actual fulfilment of performance conditions required for the payment of severance pay to Christopher BALDELLI;
- the co-option of new members of the Supervisory Board;
- approval of the method for breaking down the fixed remuneration amount allocated to members of the Supervisory Board.

The Committee reported on its work to the Supervisory Board, which took note of it and followed all of the Committee's recommendations.

The attendance rate of its members was 88% in 2019:

	Meetings of the Remuneration and Appointments Committee				Attendance rate ***
	13 February 2019	11 April 2019	23 July 2019	10 December 2019	
Marie Cheval *	✓	✓	✓	✓	100%
Elmar Heggen	✓	✓	✓	✓	100%
Sophie de Bourgues **	✓	✓	✓	✓	100%
Nicolas Houzé*	N/A	N/A	X	X	-
Gilles Samyn *	✓	✓	N/A	N/A	100%
TOTAL	100%	100%	75%	75%	88%

* Independent Member ** Member representing employees *** Attendance rate as from appointment ✓ indicates present and X indicates absent. N/A means that the member had not yet joined the Board or was not a member thereof on the date of the meeting.

AUDIT COMMITTEE

The rules of procedure of the Supervisory Board provide that the Audit Committee, first set up in 2000, has a minimum of three and a maximum of five members chosen by the Supervisory Board from among its own members, including at least two thirds of independent members.

As regards the Audit Committee, the Company refers to the report of the AMF working group chaired by Mr Poupart-Lafarge on the Audit Committee dated 22 July 2010.

COMPOSITION

The Audit Committee comprises three members selected for their expertise. Two of the members are independent within the meaning of the criteria mentioned in Section 2.1.1.1 above, which equates to two thirds, in accordance with § 16.1 of the AFEP-MEDEF Code, which requires that independent directors make up a minimum of two thirds of the Audit Committee.

At 31 December 2019, its members were the following:

		Date of first appointment	Expiry date of appointment	Attendance rate 2019 meetings
Nicolas Houzé *	Chairman of the Committee	19 April 2018	2022	100%
Elmar Heggen	Member	22 November 2006	2020	67%
Mouna Sepehri *	Member	19 December 2013	2020	67%

* Independent Member

All members of the Audit Committee have the appropriate accounting, financial and auditing expertise, as evidenced by their past or current professional positions:

- Mouna SEPEHRI was retained by the Board for her expertise, acquired within the Renault Group over the past 20 years, in major acquisitions and strategic partnerships, including the Renault-Nissan Alliance. A Special Advisor to the CEO at Renault, she oversees the corporate functions delegated to Senior Management, including the Legal Department, which also equips her with expertise in the field of internal control and risk management.
- Elmar HEGGEN holds an MBA in finance and has held a variety of finance and strategy positions, which led to his previous position as Chief Financial Officer and Head of Corporate Center of RTL Group, and current position as Chief Operating Officer and Deputy CEO of RTL Group.
- Nicolas HOUZÉ, with a degree from graduate business school INSEAD, has held various positions, initially in strategy and subsequently in banking, before occupying a number of general management roles similar to his current position as CEO of Galeries Lafayette and BHV Marais.

OPERATION

Based on the rules of procedure, completed with recommendations from the AMF (Final report on audit committees, dated 22 July 2010), the Audit Committee defined its Operating Charter in July 2011. It is subject to the provisions of the French Commercial Code and Regulation (EU) No. 537/2014 of 16 April 2014.

The Audit Committee meets at least twice a year and has the following responsibilities:

- In relation to the financial statements:
 - to review the annual financial statements prior to their submission to the Board;
 - to monitor the relevance and consistency of the accounting principles and rules used for the preparation of the financial statements and to prevent any potential violation of these rules;

- to review the preliminary and interim results as well as the accompanying notes, prior to their publication,
- to monitor the financial reporting process and, if applicable, issue recommendations to safeguard its integrity and ensure the quality of the processes enables compliance with stock market regulations.

- as part of its review of the financial statements, to examine the scope of consolidation and, where relevant, the reasons for which companies are excluded from the scope.

- In relation to the internal control of the Company:

- to issue a recommendation on the Statutory Auditors proposed for appointment by the general meeting to the Board. This recommendation is issued to the Supervisory Board. It also issues its recommendation on the renewal of the statutory auditor's or auditors' appointment;

- to monitor the completion by the Statutory Auditors of their assignment, taking into account the observations and findings of the H3C (French Statutory Auditors' Supervisory Body) following the audits performed pursuant to Articles L. 821-9 and subsequent of the Commercial Code;

- to ensure compliance by the Statutory Auditors with the principles of independence, and to take all steps required to apply article 4-3 of Regulation (EU) No. 537/2014 (economic independence) and ensure compliance with the conditions of article 6 of this regulation.

- In relation to the internal control of the Company:

- to assess the Company's and its subsidiaries' internal control systems with internal control officers;

- to review with them the response and action plans in the field of internal control, the findings of these responses and measures, and the action that is required of them;

- to monitor the efficiency of internal control and risk management systems, as well as of the internal audit where applicable, regarding the procedures related to the preparation and processing of accounting and financial information, without it affecting its independence.

- In relation to risks:

- regularly review with the Executive Board of the Company the main risks to which the business is exposed as well as the significant off balance sheet commitments.

- In relation to conflicts of interests:

- to review and check the rules of procedure applicable to conflicts of interest, to the expenses of the management team members and to the identification and measurement of the main financial risks, as well as their application, and submit its assessment annually to the Board;

- during the review of the financial statements, probe any material transactions that could have generated conflict of interest.

- In relation to non-audit services provided by the Statutory Auditors:

- approve the service.

At its meeting of 25 July 2016, the Audit Committee decided that for any service whose provision by the Statutory Auditors is required by law [Report on the cancellation of the preferential subscription right, supplementary reports, etc.], its overall approval is always provided, the Committee not having the legal capacity to object to its provision.

At the same meeting, the Committee expressly authorised, in principle and by definition, the provision, either to the Company or to companies it controls, the following categories of service:

- Audit other than the certification of the financial statements,

- Limited review,

- Findings upon the conclusion of procedures agreed with the entity,

- Statements,

- Consultations

- Services rendered during the acquisition of entities,

- Services rendered during the sale of entities,

- Consultation on internal control,

- Services related to corporate and environmental information,

- Letter of Intent in relation to market transactions,

- Assurance Report / agreed procedures concerning internal control processes,

- Tax services provided in the countries where these are permitted.

At its meeting of 17 February 2017, the Audit Committee added the following to these categories of services:

- Tax services provided in the countries where these are permitted.

The Committee also approved, under the same conditions, the provision of the above-mentioned services to companies that control the Company on condition that neither the Company nor any of the companies that it controls shall bear the cost thereof.

When a service is provided, senior management must verify that it falls within the scope of one of the two preceding authorisations.

Should this not be the case, the service in question shall be subject to the individual approval of the Audit Committee.

Furthermore, the Audit Committee reports to the Supervisory Board on a regular basis regarding the discharge of its duties. It also reports on the results of the assignment to certify the financial statements, on the way in which this assignment has contributed to the integrity of financial information and on the role it has played in this process. It shall inform the Supervisory Board without delay of any difficulty encountered.

All relevant documentation and analyses to cover all matters that are likely to have a material impact on the financial statements and related financial position must be provided to the Audit Committee within a reasonable timeframe and before its meetings.

It calls any person whose submissions are considered useful for the work of the committee. In particular, it calls the Statutory Auditors for the meetings convened to review the process of preparing financial disclosures and reviewing the financial statements, to hear their report on the performance of their assignment and the conclusions of their audit. The Audit Committee may also ask the Company's Executive Board to hear submissions and provide it with any and all information.

The Audit Committee may call in external experts as needed, having first verified their expertise and independence.

When the financial statements are presented to the Board, the Chairman of the Audit Committee presents any comments necessary.

To discharge its responsibilities, the Audit Committee must hear the Statutory Auditors, senior executives and managers responsible for the preparation of the financial statements, cash and internal control, in the absence of the corporate officers. It may also be assisted by external consultants, at the Company's expense.

The review of the financial statements by the Audit Committee must be informed by the statutory auditors' presentation pointing out the main points of the Company's results and the accounting policies selected, as well as a presentation by the Chief Financial Officer describing the Company's risk exposure, including those of a social and environmental nature, and significant off-balance sheet commitments.

On their appointment, the audit committee members receive information on the Company's or Group's accounting, financial and operational characteristics.

With respect to internal audits and risk management, the Audit Committee must review significant risks and off-balance sheet liabilities, hear the submission of the internal audit manager, give its opinion on the organisation of the internal audit function and keep up to date on its work plan. It must also be sent the internal audit reports or a periodic summary of these reports.

The Audit Committee draws up an annual work plan based on the Company's current affairs and the results of its previous work.

On this basis, the Audit Committee makes recommendations to the Executive Board regarding financial reporting, as well as financial, accounting or taxation issues that the Group may have to face.

The Audit Committee presents the conclusions of its deliberations to the Supervisory Board at the meetings to discuss the interim and annual financial statements. The Committee has sufficient time to review the financial statements, as files are sent more than five working days before each meeting.

Audit Committee meetings relative to the review of full-year and interim financial statements are always held between the approval of the financial statements by the Executive Board and the subsequent meeting of the Supervisory Board.

Audit Committee meetings normally take place the day before Supervisory Board meetings to facilitate travel for directors who live abroad.

MATTERS DISCUSSED BY THE SUPERVISORY BOARD IN 2019

The Committee met 3 times in 2019. Its work included:

- the review of the parent company and consolidated financial statements;
- the review of the interim consolidated financial statements at 30 June and quarterly financial position at 31 March and 30 September;
- the review of off-balance sheet commitments;
- the 2020 budget;
- the review of the financial parts of the Registration Document;
- the review of the Group's Sustainable Development Report;
- the monitoring of the treasury position and the working capital requirements of the Group;
- a follow-up of the year's internal control assignments;
- the cyber-attack suffered on 12 October 2019.
- a review of the risk-mapping, including risks of a social and environmental nature;
- la revue des assurances du Groupe ;
- 2019 assignments and fees of the Statutory Auditors and the 2019-2020 audit plan;
- the tender process initiated ahead of the expiry of the terms of office of the two Statutory Auditors;
- the follow-up of financial reporting.

The Committee reported on its work to the Supervisory Board, which was duly noted. Minutes of every meeting are prepared and approved at the following meeting.

The attendance rate of its members was 80% in 2019:

Meetings of the Audit Committee				
	18 February 2019	29 July 2019	28 October 2019	Attendance rate **
Mouna Sepehri *	X	✓	✓	67%
Elmar Heggen	✓	✓	X	67%
Nicolas Houzé *	✓	✓	✓	100%
Gilles Samyn *	✓	N/A	N/A	100%
TOTAL	75%	100%	67%	80%

* Independent Member ** Attendance rate as from appointment ✓ indicates present and X indicates absent. N/A means that the member had not yet joined the Board or was not a member thereof on the date of the meeting.

SELF-ASSESSMENT OF THE SUPERVISORY BOARD'S WORK

The Audit Committee carries out an assessment of its own operation on an annual basis by filling out the Supervisory Board's assessment questionnaire provided to all Board members, a section of which is reserved for the Audit Committee.

The 2019 assessment highlighted that:

- the composition of the Committee is appropriate;
- the Committee meets at sufficiently frequent intervals and the duration of the meetings is appropriate;
- the members of the committee receive appropriate information prior to each meeting;
- The main area for improvement would be to receive the preparatory documents for meetings further in advance.

2.2 – EXECUTIVE BOARD

2.2.1 Composition of the Executive Board

Since the Annual General Meeting of 5 May 2014, the Executive Board has been appointed for a period of three years.

The Executive Board has four members, all natural persons, aged less than 72 years, appointed by the Supervisory Board and compensated by Métropole Télévision Group.

Given the quality of the executive team and the Company's recurring strong performance, the Supervisory Board of M6 Group decided at its meeting of 21 February 2017 to proceed with the early renewal of the terms of office of the Executive Board, with effect from today, for a period of three years ending 21 February 2020.

It is specified that Christopher BALDELLI, Vice-Chairman of the Executive Board responsible for Radio and News (excluding Magazines), resigned as a member of the Executive Board on 1 July 2019.

Members of the Executive Board	Nationality	Age	Principal duties	Date of first appointment	Date reappointed	Date term expires
Nicolas de Tavernost	French	69	Chairman of the Executive Board	26/05/2000	21/02/2017	21/02/2020
Thomas Valentin	French	65	Vice-Chairman of the Executive Board with responsibility for Programming and Content	26/05/2000	21/02/2017	21/02/2020
Jérôme Lefébure	French	57	Member of the Executive Board in charge of Finance and Support Functions	25/03/2010	21/02/2017	21/02/2020
David Larramendy	French	45	Member of the Executive Board with responsibility for Sales	17/02/2015	21/02/2017	21/02/2020

At its meeting of 13 February 2020 and as proposed by the Remuneration and Appointments Committee, the Supervisory Board decided to renew the terms of office of the entire Executive Board for a period of three years, to run until 13 February 2023.

The Supervisory Board reappointed Nicolas de TAVERNOST as Chairman of the Executive Board in the knowledge that that he will reach the statutory age limit on 22 August 2022. In this regard and in accordance with the recommendations of the AFEP-MEDEF Code, the Supervisory Board has asked Nicolas de TAVERNOST to be fully involved in the Appointment Committee's work to choose his successor.

NICOLAS DE TAVERNOST



Chairman of the Executive Board

Number of Company shares held:

385,489

BIOGRAPHY

A graduate of the Bordeaux Institute of Political Studies and with a post graduate degree in Public Law, Nicolas de Tavernost began his career in 1975 as part of Norbert Ségard's team, the junior minister for foreign trade, then in the Postal and Telecommunications sectors. In 1986 he took over the management of audiovisual activities at Lyonnaise des Eaux and, on this account, oversaw the project to create M6. In 1987, he was appointed Deputy CEO of Métropole Télévision M6 where since 2000 he has performed the role of Chairman of the Executive Board.

OTHER APPOINTMENTS AND DUTIES

- Outside M6 Group and RTL Group
 - Independent Director of GL Events SA, a listed company (France)
 - Independent Director, Chairman of the Remuneration Committee, member of the Appointments Committee and the Strategy Committee of Natixis, a listed company (France)
 - Director, on a voluntary basis, of endowment fund Raise and Polygone SA
 - Chairman of SPILE, a non-profit organisation, as Chairman of the Executive Board of M6 Group
- In accordance with the AFEP-MEDEF Code, Nicolas de Tavernost holds 2 terms of office in a personal capacity in listed companies outside the Group, thereby complying with the limits regarding the number of terms of office that may be held concurrently (two within non-Group listed companies) set out by Paragraph 18.2 of the AFEP-MEDEF Code.
- Within M6 Group and RTL Group:
 - Permanent representative of:
 - a. Métropole Télévision in its capacity as Chairman of M6 Publicité SAS, Immobilière M6 SAS, M6 Bordeaux SAS, M6 Interactions SAS and M6 Foot SAS
 - b. Métropole Télévision, in its capacity as Director of C. Productions SA, Extension TV SAS, Société d'Exploitation Radio Chic-SERC SA, Société de Développement de Radio Diffusion-Sodera SA and Médiamétrie SA
 - c. M6 Publicité as Director of Home Shopping Service SA, M6 Diffusion SA, M6 Événements SA and M6 Éditions SA
 - d. Métropole Télévision in its capacity as Chair and Member of the Shareholders' Committee of Multi4 SAS.
 - e. Métropole Télévision, in its capacity as Managing Partner of SCI du 107, avenue Charles de Gaulle
 - f. C. Productions, Director of M6 Films SA
 - g. Chairman and Director of Société Nouvelle de Distribution SA
 - Member of the Supervisory Board of Salto Gestion SAS
 - Director of M6 Group's corporate foundation
 - Representative of RTL Group to the Board of Directors, Vice-Chairman of the Remuneration Committee and Member of the Executive Committee ("*comision delegada*") of Atresmedia, a listed company (Spain)

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Outside M6 Group and RTL Group
 - Director of Nexans SA, a listed company (France)
- Within M6 Group and RTL Group:
 - Director of Société Nouvelle de Distribution SA, Extension TV SAS, TF6 Gestion SA and RTL France SAS
 - Permanent representative of:
 - a. Métropole Télévision in its capacity as Chair of TCM DA SAS, M6 Digital Services SAS (since 31 January 2019),
 - b. Métropole Télévision in its capacity as Chair of M6 Digital Services SAS, Chair of I Graal SAS, M6 Hosting SAS (since 31 January 2019), SNC Catalogue MC SAS and SNC Audiovisuel FF SAS
 - c. Métropole Télévision in its capacity as Chair of MisterGooddeal SA, IP France SA, IP Régions SA, SASP Football Club des Girondins de Bordeaux and Société Nouvelle de Distribution SA
 - d. Home Shopping Service in its capacity as Director of MisterGooddeal SA
 - Chairman of M6 Group's Corporate Foundation
 - Chairman and member of the Supervisory Board of Ediradio SA
 - Member of Association Football Club des Girondins de Bordeaux

THOMAS VALENTIN



Vice-Chairman of the Executive Board with responsibility for Programming and Content

Number of Company shares held:
230,810

BIOGRAPHY

Thomas Valentin joined M6 in its infancy as Fiction and International Relations Representative, and in November 1989 became Director of Drama and Documentaries and International Relations Representative until December 1990, Assistant Director of Programmes and Director of Purchasing and Production(s) in 1991. Appointed M6 Director of Programmes in March 1992, then Chief Operating Officer in May 1996, he was Vice-President in charge of Programmes from June 2000 to January 2007. In 1986 and 1987 Thomas VALENTIN was responsible for preparing CLT's application to be a television channel in France. From 1984 to 1987, he was Special Advisor at IP France, responsible for the satellite sector, macroeconomic analyses and the development of RTL-Télévision in France.

Between 1981 and 1984, he was Director of Communications at the French Embassy in New York.

Thomas VALENTIN is a communications graduate, with a Master of Arts in Broadcasting from Stanford University (California) and holds a Master's in Physics and a post graduate degree in Optics from the University of Paris.

OTHER APPOINTMENTS AND DUTIES

- Outside M6 Group

Nil

- Within M6 Group

- Chairman and CEO of M6 Films SA

- Chairman of C. Productions and Studio 89 Productions SAS

- Director of C. Productions SA and Extension TV SAS

- Permanent representative of:

- a. Métropole Télévision SA in its capacity as Chair of M6 Studio SAS, M6 Communication SAS and Director of M6 Diffusion SA and Société Nouvelle de Distribution SA

- b. M6 Thématiques SAS in its capacity as Chair of SEDI TV SAS

- c. M6 Films in its capacity as Director of Home Shopping Service SA

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Outside M6 Group

Nil

- Within M6 Group

- Chairman of M6 Communication SAS and Sedi-TV SAS

- Chairman of the Board of Directors of M6 Films SA and Métropole Production SA

- Director of Société Nouvelle de Distribution SA, Métropole Productions SA and TF6 Gestion SA

- Permanent representative of:

- a. M6 Films SA in its capacity as director of Métropole Productions SA

- b. Métropole Production SA in its capacity as Director of M6 Diffusion SA and Société Nouvelle de Distribution SA

- c. EDI-TV and Paris Première SAS in its capacity as Member of the Shareholders' Committee of Multi 4 SAS

- d. M6 Thématiques in its capacity as Director of IP France SA

- e. Métropole Télévision in its capacity as Director of SNC SA

- f. M6 Digital Services SAS in its capacity as Chair of GM6 SAS

- Member and Vice-Chairman of the Supervisory Board of Ediradio SA

- Member and Vice-Chairman of Association Football Club des Girondins de Bordeaux

JÉRÔME LEFEBURE



Member of the Executive Board in charge of Finance and Support Functions

Number of Company shares held: 118,717

BIOGRAPHY

A graduate of the Paris Institute of Political Studies and holder of a Master's degree in Business Law, he began his career at Arthur Andersen (1988-1998), followed by Atos Direct (Koba) as Chief Financial Officer and Member of the Executive Board (1998-2003).

In 2003, he joined M6 Group as Chief Financial officer, and in 2010 became a member of the Executive Board responsible for Finance and Support Functions (Finance Department, Human Resources Department, General Services Department and Information Systems Department).

OTHER APPOINTMENTS AND DUTIES

- Outside M6 Group

Nil

- Within M6 Group

- Chairman and CEO of M6 Diffusion SA

- Permanent representative of:

- a. Métropole Télévision in its capacity as Chair of SNDA SAS, Bedrock (formerly M6 Distribution) SAS, M6 Développement SAS, M6 Génération SAS, M6 Thématique SAS, Immobilière 46D SAS, M6 Shop SASU (since 05/08/2019), M6 Distribution Digital (formerly T-Commerce) SASU (since 02/12/2019) and M6 Digital Services SAS

- b. M6 Thématique in its capacity as Chair of EDI-TV SAS

- c. M6 Interactions in its capacity as Director of Home Shopping Service SA, Best of TV SAS and Société Nouvelle de Distribution SA

- d. M6 Digital Services SAS in its capacity as Chair of M6 Hosting SAS

- e. EDI-TV SAS in its capacity as member of the Shareholders' Committee of Multi 4 SAS

- f. M6 Publicité SAS in its capacity as Director of Société d'Exploitation Radio Chic-SERC SA and Société de Développement de Radio Diffusion-SODERA SA

- g. M6 Diffusion SA in its capacity as Director of C. Productions SA

- Director of Unité 15 Belgique SA and M6 Group's Corporate Foundation.

- Chairman of the Supervisory Board of Panora Services SAS and member of the Supervisory Committee of Quicksign SAS

- Member of the Supervisory Board and the Audit Committee of Salto Gestion SAS (since 31/10/2019)

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Outside M6 Group

Nil

- Within M6 Group

- Chairman of M6 Développement SAS, M6 Thématique SAS and Métropole Productions SA

- Chairman and CEO of M6 Editions SA and M6 Evènements SA

- Permanent representative of:

- a. M6 Digital Services SAS in its capacity as Chair of I Graal SAS

- b. Métropole Télévision in its capacity as Manager of TCM DA SAS

- c. M6 Interactions SAS in its capacity as M6 Événements SA

- d. M6 Événements SA in its capacity as Chair of Live Stage SAS

- e. M6 Thématique SAS in its capacity as Director of TF6 Gestion SA

- f. C. Productions SA in its capacity as director of Métropole Productions SA

- g. M6 Diffusion SA in its capacity as Director of C. Productions SA

- h. M6 Publicité SAS as Member of the Supervisory Board of Ediradio SA and Director of IP France SA, IP Régions SA

- Director of Société Européenne de Télévente Belgique SCARL

- Member and Director of Association Football Club des Girondins de Bordeaux

DAVID LARRAMENDY



Member of the Executive Board with responsibility for Sales and Business Development

Number of Company shares held: 60,368

BIOGRAPHY

A graduate of Supélec and holder of an MBA from Wharton School at the University of Pennsylvania, he began his career with Ernst & Young before joining Mistergooddeal at its inception in 2000. He then worked in the London offices of Goldman Sachs prior to joining M6 Group in 2008 as Sales Director of the Ventadis Division, of which he became CEO in 2010. Appointed CEO of both M6 Publicité and M6 Interactions in December 2014, he joined the Executive Board in February 2015.

OTHER APPOINTMENTS AND DUTIES

- Outside M6 Group
 - Chairman of SNPTV (France)
- Within M6 Group
 - Chairman and CEO of M6 Editions SA and M6 Evènements SA
 - CEO of M6 Publicité SAS and M6 Interactions SAS
 - Permanent representative of M6 Publicité SAS in its capacity as Chair of M6 Créations SAS and Ctzar SAS
 - Director of Société de Développement de Radio Diffusion-SODERA SA

APPOINTMENTS AND DUTIES HAVING EXPIRED IN THE COURSE OF THE LAST FIVE FINANCIAL YEARS

- Outside M6 Group
 - Nil
- Within M6 Group
 - Deputy CEO of Home Shopping Service SA, and M6 Interactions SAS
 - Chairman of the Board of Directors of IP France SA and IP Régions SA
 - Chairman of Luxview SAS and MonAlbumPhoto SAS
 - Permanent representative of Home Shopping Service SA in its capacity as Chair of Best Of TV SAS
 - Permanent representative of MonAlbumPhoto SAS in its capacity as Chair of Printic SAS
 - Permanent representative of M6 Évènements SA in its capacity as Chair of Live Stage SAS
 - Director of Home Shopping Service Belgique SA, Société Européenne de Télévente Belgique SCARL and Unité 15 Belgique SA
 - Vice-Chairman and Treasurer of SNPTV (France)

2.2.2 Operation of the Executive Board

The Executive Board has the widest possible powers to act in all circumstances on behalf of the Company with third parties pursuant to Article 18 of the Bylaws.

As specified in Paragraph 2.1.2.3 of this document, the following Executive Board decisions shall be subject to the Supervisory Board's prior approval (Article 24.3 of the Bylaws):

- significant transactions which may impact Company and Group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding €20 million, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding €20 million, insofar as these divestments have not been budgeted;
- the issuing of securities of whatever kind, liable to result in changes in the share capital.

The Executive Board meets as often as required in the interests of the Company. In 2019, the Executive Board met 37 times, with minutes kept for each of these meetings. The Executive Board prepares all files to be submitted to Supervisory Board meetings by providing a detailed presentation of the situation of each activity of the Group during the previous quarter. To that end, the Executive Board ensures the relevance of operating management indicators presented to the Supervisory Board in order to reflect developments affecting the various activities and businesses.

The Executive Board collectively examines and takes decisions on investment projects submitted to it by operating teams.

The Executive Board also approves the Group's half-year and annual financial statements, provisional management documents and wording of the management report, which are subsequently presented for review by the Supervisory Board. Lastly, the Executive Board decides on the Group's financial communication.

2.3 CORPORATE OFFICERS' REMUNERATION AND BENEFITS

This chapter was prepared with the assistance of the Appointments and Remuneration Committee.

2.3.1 Remuneration policy for Executive Board members

Section 2.3.1 details the guidelines and criteria for the determination, apportionment and allocation of the fixed and variable items comprising the total remuneration and benefits in kind of any type of the members of the Executive Board in respect of their terms of office within Métropole Télévision, which are submitted for the approval of the Combined General Meeting of Shareholders which will be held on 28 April 2020, pursuant to Article L. 225-82-2 of the French Commercial Code:

- **All the items presented in this section relating to the Chairman of the Executive Board will be submitted for the ex-ante Say on Pay vote, in the 17th resolution of this Meeting,**
- **Only the remuneration policy related to the term of office of the other members of the Executive Board will be submitted for the ex-ante Say on Pay vote in the 22nd resolution.**

M6 Group has introduced an attractive and remuneration policy, with the aim of motivating and encouraging employees to make a significant contribution to achieving the Group's strategic objectives and to ensure its long-term performance.

It sets all fixed, variable and exceptional components of remuneration, in addition to the long-term incentive and employee retention plans granted in the form of performance shares as well as other commitments of any nature undertaken by the Company for the benefit of its directors and senior executives.

The remuneration structure is communicated in a clear and transparent manner to employees, shareholders and investors.

The following developments describe the philosophy and guidelines governing the remuneration policy concerning Executive Board members.

In order to determine the remuneration policy for members of the Executive Board, the Supervisory Board, acting on a proposal from the Remuneration and Appointments Committee, has taken the following principles into account in keeping with the recommendations of §24-1 of the AFEP-MEDEF Corporate Governance of Listed Companies revised in November 2020:

- **comprehensiveness:** the remuneration determined must be comprehensive. All the components of remuneration must be taken into account when determining the overall remuneration level;
- **Balance between the remuneration components:** each component of remuneration must be clearly substantiated and correspond to the general interest of the company;
- **comparability:** the remuneration must be assessed within the context of a business sector and the reference market. If the market is taken as a reference, it must not be the only one since the remuneration of a corporate officer depends on the responsibilities assumed, the results achieved and the work performed. It may also depend on the nature of the tasks entrusted to the corporate officer or the specific situations (for example, turning around a company in difficulty);
- **consistency:** executive corporate officers' remuneration must be determined in a manner consistent with that of other officers and employees in the company;

- understandability of the rules: the rules should be simple, stable and transparent. The performance criteria used must correspond to the company's objectives, and be demanding, explicit, and, to the greatest extent possible, long-lasting;
- proportionality: the determination of the remuneration components must be well balanced and simultaneously take account of the company's general interest, market practices, the performance of executive officers and other stakeholders in the company.

The aim of this remuneration policy is to contribute to the longevity of the Company and to comply with its corporate interest. It is not only based on technical performance, results achieved, level of responsibility assumed, but also on practices observed in comparable companies and remuneration paid to other operational managers of the company.

No remuneration item of any kind whatsoever may be set, allocated or paid by the company to corporate officers as a result of their term of office, nor any commitment undertaken by the company in this regard if it does not comply with the approved remuneration policy.

Nevertheless, in the event of exceptional circumstances, the Supervisory Board may depart from application of the remuneration policy if such departure is temporary, in line with the corporate interest and necessary to ensure the longevity or viability of the Company.

The determination, revision and implementation of the remuneration policy regarding each of the corporate officers is carried out by the Supervisory Board upon recommendation of the Appointments and Remuneration Committee. It is stipulated that Executive Board members are not involved in the Supervisory Board's deliberations on such matters.

The remuneration policy of the Executive Board is characterised by three different remuneration tools, each having an identified objective:

- Firstly, the fixed part of each of the members reflects the market remuneration for equivalent roles.
- Secondly, the variable part, which is also fixed for each member according to their operational responsibilities.

It is contingent upon achievement of annual operational performances, and its payment is deferred in full to the following financial year.

As such, its variable nature is conducive to over-achievement. Over the past three years, the variable part has fluctuated between 79% and 92%.

- Thirdly, a long-term remuneration mechanism, i.e. performance shares, subject to stringent conditions: a three-year performance criterion and continued employment throughout this same period.

This remuneration item not only targets operational over-achievement but also the commitment of team loyalty. It is demonstrated that the Executive Board is fully exposed to any changes in the share price, without said share price being a performance criterion.

As such, the cumulative total of these remuneration tools facilitates alignment between the skills deployed by the Executive Board and the interests of the Company and its shareholders. It thus respects the corporate interest of the Company and contributes to the commercial strategy as well as the longevity of the Company.

The remuneration of members of the Executive Board is paid by the parent company Métropole Télévision, with the exception of David LARRAMENDY, whose salary is paid by M6 Publicité. However, his variable remuneration related to his term of office is paid by Métropole Télévision.

EMPLOYMENT CONTRACT

All members of the Executive Board cumulate an employment contract with a term of office as Director, noting that Nicolas de TAVERNOST's employment contract has been suspended since 6 December 1990 and will remain so until his term of office as Chairman of the Executive Board expires. This suspension has been confirmed by the Supervisory Board at each collective renewal of the terms of office, including in February 2017.

This suspension is motivated by the fact that the creation of the channel M6 in 1987 was only possible through the combination of the drive of its historical shareholders and the energy invested by the initial salaried staff, including Nicolas de TAVERNOST. When he was appointed as a corporate officer in 1990, the shareholders sought to maintain that initial employment contract (suspended) since the future of the channel was not assured at that time. The Group's subsequent development, the result of the work carried out by its management, and the evolution of its governance have never erased this particular relationship between the Group and one of its founders, justifying the continued suspension of the employment contract.

FIXED COMPONENTS OF REMUNERATION

Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY do not receive any fixed remuneration in respect of their roles as corporate officers.

Each year, the Supervisory Board, upon the recommendation of the Appointments and Remuneration Committee, determines the fixed portion for Executive Board members in view of the level of responsibility of each member, and by taking into account the practices observed in a panel of comparable French and international companies within the same business spheres.

During the decision-making process followed for its determination and revision, the Supervisory Board also aims to ensure consistency with the remuneration of other Company employees.

The fixed portion of remuneration is paid in 12 monthly instalments in the case of Nicolas de TAVERNOST, in respect of his term of office, and in 13 monthly instalments in the case of the other members, in respect of their employment contracts.

It was last revised for:

- Nicolas de TAVERNOST, on 1 January 2016,
- Thomas VALENTIN, on 1 January 2010,
- Jérôme LEFEBURE, on 1 January 2007,
- David LARRAMENDY on 1 January 2018, to correct the discrepancy noted in relation to comparable positions in the advertising market.

This remuneration component was unchanged in 2020 compared with 2019.

BENEFITS IN KIND

Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY do not receive any benefits in kind in respect of their terms of office.

Members of the Executive Board receive a single benefit in kind, namely their company cars.

VARIABLE COMPONENTS OF REMUNERATION

The variable component of Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY's remuneration in respect of their terms of office is submitted to the General Meeting for approval and calculated according to several performance criteria, for which an annual target is set by the Supervisory Board to achieve payment of the maximum amount and a minimum performance level under which no variable component will be paid.

These criteria are based on:

- cumulative audience share (4 years+ target) for all the Group's TV channels,
- audience share (WRP<50 target) for the Group's free-to-air channels,
- consolidated EBITA,
- the CSR criteria detailed hereafter.

The variable component of the remuneration of each member of the Executive Board is calculated based on several performance criteria, for which a demanding annual target is set by the Supervisory Board to enable payment of the maximum amount and a minimum performance level under which no variable component will be paid.

The expected level of achievement of all criteria of variable remuneration is established precisely every year, notably based on budget targets for financial criteria but is not disclosed on the grounds of confidentiality.

In accordance with Paragraph 25.3.2 of the AFEP-MEDEF Code, and in order to allow an assessment of the standards expected of management, it is specified below:

- The portion of the maximum variable remuneration of each member of the Executive Board in relation to their fixed remuneration,
- The portion that will actually be paid for the financial year, expressed according to the maximum variable part in order to enable performance to be assessed,

The variable remuneration of all beneficiary employees (including members of the Executive Board) due in respect of one financial year are paid during the following financial year, it being specified that the payment of variable remuneration allocated for the last financial year in relation to the corporate terms of office of the members and Chairman of the Executive Board is subject to the approval of shareholders as part of the retrospective say on pay.

The Supervisory Board took care to choose specific and quantifiable financial and non-financial criteria adapted to the activity. The performance criteria for each Executive Board member nevertheless differs according to their field of responsibility. As a guide, it is specified that for current Executive Board members, the criteria for their variable remuneration are the following (linked with the specific role of each):

- Consolidated EBITA (for all members of the Executive Board), which reflects the Company's overall performance,
- The TV audience share (for Nicolas de TAVERNOST, Thomas VALENTIN and Jérôme LEFEBURE), which reflects the operational performance of their main activity,
- Advertising revenue (for David LARRAMENDY) in order to contribute to the Company's commercial strategy,
- CSR criteria (for all members of the Executive Board), which are based on the key actions assigned to the members of the Executive Board in line with the challenges set out in the Group's Sustainable Development Report, presented in Chapter 6 of this Document, and in accordance with the Appointments and Remuneration Committee's recommendation at its meeting of 17 December 2018:

- Challenge n°1, relating to the representation of diversity within programmes, and which requires the percentage of female representation in the presentation of internally produced news programmes for free-to-air channels (including news bulletins) to be at least 50% to achieve the target,

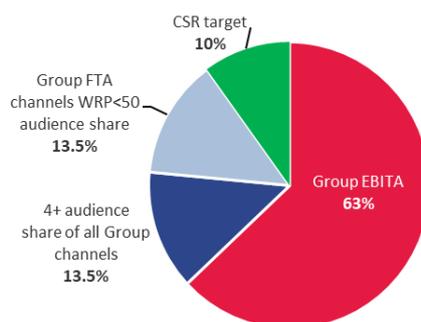
- Challenge n°2, relating to the raising of public awareness of environmental issues, and which requires environmental topics to be qualitatively and sufficiently addressed within television news bulletins.

The attainment of objectives will be assessed at the beginning of the following financial year by the Supervisory Board upon the Appointments and Remuneration Committee's proposal, based on:

- the latest consolidated annual financial statements as approved by the Executive Board and reviewed by the Supervisory Board for EBITA and advertising revenue,
- the annual data published by Médiamétrie for audience data,
- the CSR data audited by independent third party organisations responsible for validating the consolidated statement of non-financial performance.

The maximum variable portion for Executive Board members will remain unchanged in 2020 in relation to 2019.

VARIABLE PORTION OF NICOLAS DE TAVERNOST'S REMUNERATION FOR 2019 AND 2020



His variable portion relates exclusively to his role as corporate officer.

It was last revised on 1 January 2016.

His maximum variable portion was 100% of his fixed remuneration.

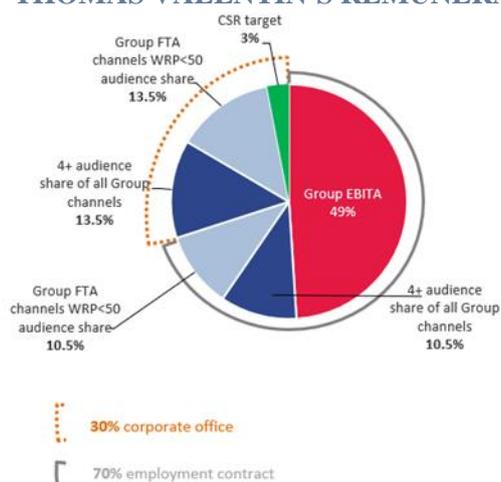
In respect of 2019, Nicolas de TAVERNOST saw his variable remuneration increase by 6%, as a result of:

- maximum performance on the two CSR criteria,
- a television audience performance in relation to the higher target than that for the previous year,
- an EBITA performance 86.4% achieved (2019 EBITA was nevertheless the highest in the Group's history).

As such, the amount comprising his variable portion was 83.1% of the maximum, as detailed in the following table:

Criteria	Maximum variable part		Percentage achievement	2019	2018	(% change)
	Amount	%		variable part	variable part	
Consolidated EBITA	630,000	63%	86.4%	544,425	653,528	-109,103
TV audience share 4+	135,000	14%	72.9%	98,357	69,314	29,043
Free-to-air TV audience share – Commercial target	135,000	14%	65.0%	87,750	58,981	28,769
13+ audience share of radio stations	-	-	-	-	-	0
Advertising revenue	-	-	-	-	-	0
1 st CSR criteria	50,000	5%	100.0%	50,000	-	50,000
2 nd CSR criteria	50,000	5%	100.0%	50,000	-	50,000
TOTAL VARIABLE PART	1,000,000	100%	83.1%	830,532	781,823	48,709

VARIABLE PORTION OF THOMAS VALENTIN'S REMUNERATION FOR 2019 AND 2020



His variable part was last revised on 1 January 2007.

Overall, the variable part measured in relation to Group EBITA represented 49% and the variable part measured in relation to audience figures was 48% as a result of his responsibilities as Head of TV Programming and Content.

His maximum variable portion was 111% of his fixed remuneration.

The portion of the maximum variable remuneration for his role as a corporate officer in relation to his fixed remuneration is 33%.

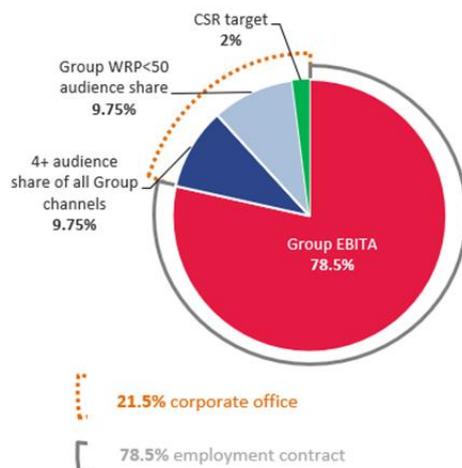
In respect of 2019, Thomas VALENTIN saw his variable remuneration increase by 14%, due to:

- maximum performance on the two CSR criteria,
- a television audience performance in relation to the higher target than that for the previous year,
- an EBITA performance 86.4% achieved (2019 EBITA was nevertheless the highest in the Group's history).

As such, the amount comprising his variable portion was 78.4% of the maximum, as detailed in the following table:

Criteria	Maximum variable part		Percentage achievement	2019 variable part	2018 variable part	(% change)
	Amount	%				
Consolidated EBITA	269,500	49%	86.4%	232,893	251,608	-18,715
TV audience share 4+	57,750	10.5%	72.9%	42,075	49,394	-7,319
Free-to-air TV audience share – Commercial target	57,750	10.5%	65.0%	37,537	-	37,537
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	-	-	-	-	-	-
2 nd CSR criteria	-	-	-	-	-	-
TOTAL VARIABLE PART - PART RELATED TO THE EMPLOYMENT CONTRACT	385,000	70%	81.2%	312,505	301,002	11,503
Consolidated EBITA	-	-	-	-	-	-
TV audience share 4+	74,250	13.5%	72.9%	54,096	38,123	15,973
Free-to-air TV audience share – Commercial target	74,250	13.5%	65.0%	48,262	32,440	15,822
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	8,250	1.5%	100.0%	8,250	-	8,250
2 nd CSR criteria	8,250	1.5%	100.0%	8,250	-	8,250
TOTAL PART VARIABLE - PART AS CORPORATE OFFICER	165,000	30%	72.0%	118,859	70,563	48,296
TOTAL VARIABLE PART	550,000	100%	78.4%	431,364	371,565	59,799

VARIABLE PORTION OF JÉRÔME LEFÉBURE'S REMUNERATION FOR 2019 AND 2020



His variable part was last revised on 1 January 2017, in order to adjust the amount, unchanged since 2008, to reflect his wider responsibilities.

Overall, the variable part calculated based on Group EBITA represented 78.5% due to his responsibilities as Chief Financial Officer and Head of the Group's Support Functions.

His maximum variable portion was 59% of his fixed remuneration.

The portion of the maximum variable remuneration for his role as a corporate officer in relation to his fixed remuneration is 13%.

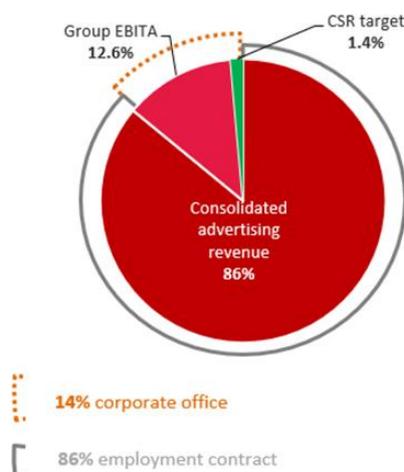
In respect of 2019, Jérôme LEFEBURE saw his variable remuneration increase by 1%, due to:

- maximum performance on the two CSR criteria,
- a television audience performance in relation to the higher target than that for the previous year,
- an EBITA performance 86.4% achieved (2019 EBITA was nevertheless the highest in the Group's history).

As such, the amount comprising his variable portion stood at **83.3%** of the maximum, as detailed in the following table:

Criteria	Maximum variable part		Percentage achievement	2019	2018	(% change)
	Amount	%		variable part	variable part	
Consolidated EBITA	188,400	78.5%	86.4%	162,809	175,892	-13,083
TV audience share 4+	-	-	-	-	-	-
Free-to-air TV audience share – Commercial target	-	-	-	-	-	-
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	-	-	-	-	-	-
2 nd CSR criteria	-	-	-	-	-	-
TOTAL VARIABLE PART - PART RELATED TO THE EMPLOYMENT CONTRACT	188,400	78.5%	86.4%	162,809	175,892	-13,083
Consolidated EBITA	-	-	-	-	-	-
TV audience share 4+	23,220	9.7%	72.9%	16,917	11,922	4,995
Free-to-air TV audience share – Commercial target	23,220	9.7%	65.0%	15,093	10,145	4,948
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	2,580	1.1%	100.0%	2,580	-	2,580
2 nd CSR criteria	2,580	1.1%	100.0%	2,580	-	2,580
TOTAL PART VARIABLE - PART AS CORPORATE OFFICER	51,600	21.5%	72.0%	37,170	22,067	15,103
TOTAL VARIABLE PART	240,000	100%	83.3%	199,979	197,959	2,020

VARIABLE PORTION OF DAVID LARRAMENDY'S REMUNERATION FOR 2019 AND 2020



His variable part was last revised on 1 January 2018, in order to encourage the achievement of ambitious commercial targets. Overall, the variable part measured in relation to consolidated advertising revenue represented 86% as a result of his responsibilities as Managing Director of M6 Publicité.

His maximum variable portion was 97% of his fixed remuneration.

The portion of the maximum variable remuneration for his role as a corporate officer in relation to his fixed remuneration is 14%.

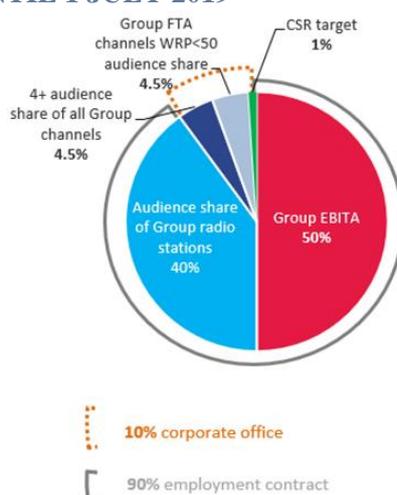
In respect of 2019, David LARRAMENDY saw his remuneration fall by 14%:

- primarily because there was a decline in commercial performance,
- and the EBITA performance was 86.4% achieved (2019 EBITA was nevertheless the highest in the Group's history).
- He did however benefit from a maximum performance on the two CSR criteria.

As such, the amount comprising his variable portion was 85.5% of the maximum, as detailed in the following table:

Criteria	Maximum variable part		Percentage achievement	2019	2018	(% change)
	Amount	%		variable part	variable part	
Consolidated EBITA	-	-	-	-	-	-
TV audience share 4+	-	-	-	-	-	-
Free-to-air TV audience share – Commercial target	-	-	-	-	-	-
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	300,000	86%	85.1%	255,224	293,169	-37,945
1 st CSR criteria	-	-	-	-	-	-
2 nd CSR criteria	-	-	-	-	-	-
TOTAL VARIABLE PART - PART RELATED TO THE EMPLOYMENT CONTRACT	300,000	86%	85.1%	255,224	293,169	-37,945
Consolidated EBITA	45,000	13%	86.4%	38,888	46,681	-7,793
TV audience share 4+	-	-	-	-	-	-
Free-to-air TV audience share – Commercial target	-	-	-	-	-	-
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	2,500	0.7%	100.0%	2,500	-	2,500
2 nd CSR criteria	2,500	0.7%	100.0%	2,500	-	2,500
TOTAL PART VARIABLE - PART AS CORPORATE OFFICER	50,000	14%	87.8%	43,888	46,681	-2,793
TOTAL VARIABLE PART	350,000	100%	85.5%	299,111	339,850	-40,739

VARIABLE PORTION OF CHRISTOPHER BALDELLI'S REMUNERATION, MEMBER OF THE EXECUTIVE BOARD UNTIL 1 JULY 2019



His variable part was set on 7 November 2017 upon his appointment to the Executive Board,

Overall, the variable part measured in relation to the audience share of the radio stations represented 40% as a result of his responsibility as Head of the Group's Radio Stations, and the part measured on the audience share of the TV channels was 9% as a result of his cross-Group responsibility discharged in relation to news reporting.

His maximum variable portion was 100% of his fixed remuneration.

In respect of 2019:

- Pursuant to the terms and conditions of the settlement reached upon his departure on 31 August 2019, Christopher BALDELLI only received 8/12^{ths} of his variable portion owed in respect of his employment contract;
- In addition to this prorated mathematical effect, the fall reflects the weaker performance of the Radio division's audience figures and the 86.4% achievement of EBITA performance.

As such, the amount of his variable portion was 65.2% of the maximum, following restatement of 8/12^{ths} of the year, as detailed in the following table:

Criteria	Maximum variable part		Percentage achievement	2019	2018	(% change)
	Amount	%		variable part	variable part	
Consolidated EBITA	220,000	50%	86.4%	126,744	205,394	-78,650
TV audience share 4+	-	-	-	-	-	-
Free-to-air TV audience share – Commercial target	-	-	-	-	-	-
13+ audience share of radio stations	176,000	40%	55.0%	64,533	176,000	-111,467
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	-	-	-	-	-	-
2 nd CSR criteria	-	-	-	-	-	-
TOTAL VARIABLE PART - PART RELATED TO THE EMPLOYMENT CONTRACT	396,000	90%	72.5%	191,278	381,394	-190,116
Consolidated EBITA	-	-	-	-	-	-
TV audience share 4+	19,800	4.5%	-	-	10,166	-10,166
Free-to-air TV audience share – Commercial target	19,800	4.5%	-	-	8,651	-8,651
13+ audience share of radio stations	-	-	-	-	-	-
Advertising revenue	-	-	-	-	-	-
1 st CSR criteria	2,200	0.5%	-	-	-	-
2 nd CSR criteria	2,200	0.5%	-	-	-	-
TOTAL PART VARIABLE - PART AS CORPORATE OFFICER	44,000	10%	0.0%	0	18,817	-18,817
TOTAL VARIABLE PART	440,000	100%	65.2%	191,278	400,211	-208,933

EXCEPTIONAL REMUNERATION

Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY do not receive any exceptional remuneration in respect of their roles as corporate officers.

The Supervisory Board may decide, further to a proposal of the Remuneration and Appointments Committee, to grant exceptional remuneration to the members of the Executive Board in light of very specific circumstances.

The payment of this type of remuneration must be justified by an event such as the completion of a major transaction for the Company or specific circumstances.

No exceptional remuneration was paid during the 2019 financial year to Executive Board members.

PERFORMANCE SHARE ALLOCATION POLICY

Thomas VALENTIN, Jérôme LEFEBURE and David LARRAMENDY do not receive any performance shares in respect of their roles as corporate officers.

Executive Board members may be allocated ordinary performance shares under the plans introduced by the Company.

On 10 March 2009, the Supervisory Board decided to introduce a number of rules to provide a future framework for all allocations of options to subscribe or to purchase shares and all allocations of performance shares for the benefit of members of the Executive Board.

At the outset, it is noted that as of the date on which this document was drafted, no executive director has received any stock options.

ALLOCATION LIMITS

The allocation of performance shares for the benefit of members of the Executive Board shall now be subject to the following collective and individual limits:

COLLECTIVE LIMITS

The number of performance shares allocated to all the members of the Executive Board, with effect from 1 January 2009, may not exceed 15% of the total amount authorised by the Extraordinary General Meeting;

Based on the authorisation granted by the General Meeting of 25 April 2019, this amount may represent a maximum of 345,000 shares, based on the Company's current share capital, or 0.3% of the share capital.

INDIVIDUAL LIMITS

The Supervisory Board has set two distinct limits:

- One for Nicolas de TAVERNOST, as Chairman of the Executive Board, which has set the cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and performance shares which could be allocated to him during a given financial year.

This amount may not exceed 150% of his gross fixed and variable remuneration, due in respect of the financial years preceding the year of allocation.

- A second for the other members of the Executive Board, which has set the cumulative amount, determined under IFRS 2, of options to subscribe or to purchase shares and performance shares which could be allocated to them during a given financial year.

This amount may not exceed 100% of their gross fixed and variable remuneration, due in respect of the financial years preceding the year of allocation.

RETENTION COMMITMENT

Following the revision of the AFEP-MEDEF Code in November 2016, the Supervisory Board maintained, with regard to Executive Board members, the obligation to retain, as registered shares and unconditionally, 20% of the shares arising from the exercise of the options to subscribe or to purchase shares, as well as performance shares allocated, until the end of their terms of office, even if Article 22 of the Code only requires a minimum quantity that is likely to be revised each time the term of office is renewed.

PERFORMANCE CONDITIONS

Allocations of performance shares granted for the benefit of members of the Executive Board must be subject to demanding performance conditions and at least identical to those imposed on all other potential beneficiaries of any other allocation plan.

Since 2017, the performance condition required for the Executive Board is exclusively multi-year and set at three cumulative financial years, with a requirement of continued employment at the end of this period.

For each three-year plan, and as a result of the volatility of market capitalisations at the end of the year, it was decided that the opening capital employed of the period would be equal to the average market value over the three financial years preceding the beginning of the three-year period. Such capital is subsequently annually increased by the net investments realised during each financial year and by the change in current assets. As such, the quality of the investment projects and the management of the working capital requirement, rather than operating profit alone, are used to assess performance after tax.

This performance is required for a cumulative three-year period, and remuneration in shares will reflect the achievement of the objectives according to a scale set at the start of the three-year period.

The 2019 allocation thus formalises the performance expected for the financial years 2019, 2020 and 2021, and an identical three-year system is planned for 2020 based on the financial years 2020, 2021 and 2022. The benefit of this three-year rolling system is to not freeze performance periods.

OTHER PROVISIONS APPLICABLE TO MEMBERS OF THE EXECUTIVE COMMITTEE IN THE AREA OF OPTIONS AND PERFORMANCE SHARES

It should be noted that the members of the Executive Board have made a formal commitment not to enter into a hedging transaction for their risk where they benefit from the allocation of performance shares or options to subscribe for or purchase shares (the latter not being used by the Group).

Also, the Supervisory Board decided to prohibit transfers of performance shares by members of the Executive Board during the Company's following financial communication periods. As such, for 2020:

- from 14 January to 27 February 2020,
- from 7 April to 13 May 2020,
- from 28 June to 11 August 2020,
- from 6 October to 10 November 2020.

Performance shares are granted to members of the Executive Board, as described previously, at the same time as those granted to other employees of the Group. The quantity granted reflects the assessment of individual performance.

PERFORMANCE SHARES ALLOCATED DURING THE 2019 FINANCIAL YEAR AND LINKED TO MULTI-YEAR PERFORMANCE (2019-2021)

ALLOCATION VOLUME

In accordance with the authorisation granted by the Combined General Meeting of 25 April 2019 in its 20th resolution, the Supervisory Board decided on 30 July 2019 to authorise the Executive Board to performance shares under the three-year LTIP 2019-2021 plan to a number of executives, including the Executive Board, who collectively received 75,000 shares.

COMPLIANCE WITH ANNUAL ALLOCATION LIMITS

At the end of this allocation, all the shares allocated to the members of the Executive Board as part of the authorisation of the Extraordinary General Meeting of 25 April 2019 represented, at the date of drafting of this Document, 3.3% of the amount of the overall allocation, falling short the overall allocation set by the Supervisory Board (345,000 shares for the Executive Board, i.e. 15% of the total 2,300,000 shares allocated).

The individual limits have also been observed since the amount allocated to each member of the Executive Board according to their gross, fixed and variable remuneration was:

- 18% for Nicolas de TAVERNOST,
- 24% for Thomas VALENTIN,
- 36% for Jérôme LEFEBURE,
- 32% for David LARRAMENDY,

COMMITMENTS MADE FOR THE BENEFIT OF THE MEMBERS OF THE EXECUTIVE BOARD

No undertaking has been made by Métropole Télévision or its subsidiaries for the benefit of Thomas VALENTIN, Jérôme LEFEBURE or David LARRAMENDY in respect of their terms of office.

Executive Board members can benefit from a supplementary pension scheme, and non-compete and severance pay agreements subject to performance conditions. For information purposes only, details of the undertakings currently enjoyed by Executive Board members are detailed hereafter.

SUPPLEMENTARY PENSION SCHEMES

Since the conclusion of the referendum agreement dated 22 May 2007 (and its corrective amendment of 25 June 2014) establishing a supplementary defined contributions pension scheme, the members of the Executive Board have benefited, as do all of the Group's employees whose remuneration during the year n-1 exceeds 4 Annual Social Security Ceiling (i.e. €162,096 in 2019), from a supplementary and compulsory defined contributions pension scheme (Article 83 of the General Tax Code) that enables the establishment of an individual retirement savings account to finance the payment of a life-time annuity.

Individual pension accounts under supplementary schemes are paid at a rate of 9.13% of the remuneration for tranches B and C, i.e. €3,378 and €27,016 gross in 2019 (excluding bonuses), broken down as follows:

- 5.71% to be paid by the employer,

Employer contributions paid to an insurer and recognised by the Company during the 2019 financial year in respect of pension commitments are detailed individually in Paragraph 2.3.2, Tables (11). These mandatory contributions are payable by the employer at the end of each quarter, such contributions being calculated each month based on the slips. The employer portion of the contributions is subject to the corporate contribution rate of 20%. In 2019, the charge paid by the employer totalled €75,588 for all members of the Executive Board.

- 3.42% to be paid by the employee.

Moreover, the cumulative payment made by all members of the Executive Board totalled €45,272.

At the date of preparation of this report, the estimated amount of the annuity of each member of the Executive Board, contingent upon contributions being paid at the same rate until retirement age, is as follows:

- Nicolas DE TAVERNOST: €17,415 annually,
- Thomas VALENTIN: €18,217 annually,
- Jérôme LEFEBURE: €35,102 annually,
- David LARRAMENDY: €50,680 annually.

In addition, on the same subject and under the same conditions as Group employees, the members of the Executive Board benefit from a legal end of career payment.

NON-COMPETE AGREEMENT

The Code AFEP-MEDEF Code (in Article 24.4 of this version revised in January 2020) now recommends that no non-compete compensation may be paid once the beneficiary is over the age of 65.

In order to comply with this new recommendation, as its meeting of 19 February 2019, the Supervisory Board confirmed that the non-compete clause signed with Nicolas de TAVERNOST has now been removed.

It was specified that this removal would result in no change relating to the compensation due in the event of termination of the corporate office of Nicolas de TAVERNOST, the basis and calculation method of which remain unchanged, and which remains capped at 24 months (see §2.3.1.6).

Similarly, at its meeting of 13 February 2020, the Supervisory Board took note that Thomas VALENTIN passed the age of 65 and it noted the removal of his non-compete clause.

Other members of the Executive Board are nevertheless bound by individual non-compete agreements, and in particular:

- Jérôme LEFEBURE for a period of 3 months - he would receive fixed-rate remuneration of 50% of his fixed remuneration received over the previous twelve months;
- David LARRAMENDY for a period of 12 months - he would receive fixed-rate remuneration of 50% of his remuneration received over the previous twelve months;

In accordance with Paragraph 24.3 of the AFEP-MEDEF Code, the Supervisory Board may, upon the opinion of the Remuneration and Appointments Committee, release one or several members of the Executive Board from this agreement.

Furthermore, the payment of compensation is not required when the corporate officer elects to retire, in accordance with Paragraph III of Article R.225-56-1 of the French Commercial Code and as recommended by the AFEP-MEDEF Code (§24.4).

Lastly, this compensation is subject to payment by instalments for its duration as now recommended by the AFEP-MEDEF Code (§24.6).

EXCLUSIVITY COMMITMENT

For the duration of his present and future terms of office as Chairman of the Executive Board, Nicolas de TAVERNOST undertakes to dedicate his working time exclusively to the duties he carries out within the Company, with the exception of the fulfilment of his role as a lecturer at the university Sciences-Po Paris and the corporate terms of office he currently holds (renewed where applicable) within M6 Group and RTL Group as well as outside these groups (as specified in Section 2.2 of this Universal Registration Document). Any other role (with the exception of the renewal of his existing terms of office, and the executive positions he holds in family-owned asset holding companies) must be authorised in advance by the Supervisory Board once the Remuneration and Appointments Committee has issued its opinion.

SEVERANCE PAY

In application of the recommendations published in the AFEP-MEDEF Corporate Governance Code for listed companies (§25.5), the Supervisory Board meeting of 10 March 2009 revised the mechanism for severance pay agreed for the benefit of the members of the Executive Board by specifying (a) the taxable base and (b) the circumstances giving rise to this compensation (c) the payment of which remains subject to the performance condition introduced by the Supervisory Board on 3 March 2008.

SEVERANCE PAY OF NICOLAS DE TAVERNOST IN THE EVENT OF THE TERMINATION OF HIS TERM OF OFFICE

Nicolas de TAVERNOST benefits from compensation in the event of the termination of his term of office as Chairman of the Executive Board.

At its meeting of 21 February 2017, the Supervisory Board specified that the compensation mechanism in the event of the termination of the duties of Nicolas de TAVERNOST, implemented in 2008, would apply to all instances of termination as of 21 February 2017.

This change in mechanism is warranted by Nicolas de TAVERNOST's agreement to continue his term of office beyond its initial expiry in 2018 and the exceptional character of his contribution to the creation of the Company in 1987, its continued growth and development and his strong performance, year after year.

In a letter dated 7 October 2019, the HCGE wondered about Nicolas de Tavernost's severance pay and asked the Company to amend the clause "to bring it into line with the Code's recommendations". The request involved removing the option for Nicolas de TAVERNOST to receive his severance pay in the event of his retiring.

At its meeting of 13 February 2020, the Supervisory Board decided not to comply with the request, given:

- the agreement of the party concerned to continue his term of office,
- said party's commitment to exclusivity,
- the exceptional nature of Nicolas de TAVERNOST's contribution to the creation of the Company in 1987, to its continued growth and development, to strong performance, year after year, since the Company was created.

The shareholders had also supported this position by approving the resolution on severance pay at the General Meeting of 26 April 2017, as well as those on the remuneration policy relating to the Chairman of the Executive Board at the 2018 and 2019 General meetings, with 80.93%, 98.84% and 99.68% of the votes respectively.

As such, the Board noted that it was in compliance with the Law and had fully justified its decision to reject one of the recommendations of the AFEP-MEDEF Code, and to do so not only in the Company's interests but also in those of its shareholders.

It is noted that where appropriate in the event of the reinstatement of Nicolas de TAVERNOST's employment contract following the termination of his term of office as Chairman of the Executive Board, the severance pay due will be calculated based on his total length of service within the Group, including in respect of his corporate office, and on the average gross monthly remuneration (excluding performance shares, LTIP, options and similar benefits) received by Nicolas de TAVERNOST as Chairman of the Executive Board or as an employee during the twelve months preceding the date of termination of his employment contract.

SEVERANCE PAY OF OTHER EXECUTIVE BOARD MEMBERS

This individual severance pay mechanism was the subject of an amendment to the employment contracts of Thomas VALENTIN and Jérôme LEFEBURE upon their appointment to the Executive Board, duly authorised by the Supervisory Board.

At its meeting of 21 February 2017, the Board also decided to maintain unchanged, from this date, the pre-existing conditions applicable to the termination of the duties of Thomas VALENTIN and Jérôme LEFEBURE.

This severance pay was approved by the Annual General Meeting of 26 April 2017 in its 5th to 8th resolutions, in accordance with Article L. 225-90-1 of the French Commercial Code.

At its meeting of 30 July 2019, the Supervisory Board extended this mechanism to include David LARRAMENDY, under the same conditions as those set out for Thomas VALENTIN and Jérôme LEFEBURE.

All three are entitled to contractual compensation under their employment contracts in the event of termination thereof by the Company, not resulting from serious or gross misconduct, resignation or failure. Severance pay is not therefore paid out in the event of a change in role within the Group or termination of the term of office.

Pursuant to AFEP-MEDEF recommendation § 25.5.1, the Board excluded the case of failure, characterised by "a significantly deteriorated financial position" in relation to M6 Group.

MAINTAINED PERFORMANCE CONDITION

The payment of this severance pay will, in accordance with Article L. 225-90-1 of the French Commercial Code, remain subject to the fulfilment of a performance related condition defined as follows: Métropole Télévision Group's profit from recurring

operations (EBITA) for the 48 months preceding the termination of the term of office shall be equivalent to at least 80% of the budgeted target for this same aggregate such as approved by the Supervisory Board.

This condition is attached to their corporate office and no would longer apply in the event of ongoing employment contacts excluding the Executive Board.

The amount of severance pay will be calculated on a straight-line basis according to the percentage of the profit from recurring operations (EBITA) achieved in relation to the budgeted target, it being specified that the compensation will be due in full as soon as the percentage achieved is equal to or higher than 90% of the budgeted target. No severance pay shall be paid when profit from recurring operations (EBITA) for the 48 months prior to the termination of the term of office proved lower than 80% of the budgeted objective. Payment of severance pay is subject to prior acknowledgement by the Supervisory Board that the performance condition has been fulfilled.

It should be emphasised that the performance condition is measured over a period of 48 months (i.e. 4 years) while Paragraph 25.5 of the AFEP-MEDEF Code recommends that it is assessed over a minimum of two financial years.

In relation to the exacting nature of the budgetary baseline, at its meeting of 19 February 2019 the Supervisory Board reiterated that the performance-related condition must protect shareholders in the event of below average performance resulting from the actions of management, rather than from market effects.

It was specified that the Group operates in volatile markets, notably in relation to the advertising market and audience figures. As such, the Group was able to observe over a long period of time that, on occasion, performance was sharply impacted exclusively as a result of the market, as was the case in 2009, 2012 and 2013 (see Section 1.4.1.2 of this document). Yet in such circumstances, the Group outperformed its peers.

Each year, the Budget therefore allows ambitious targets correlated to both the environment and external issues to be set. The allowable margin of 20% below the target is intended to absorb unforeseeable external occurrences, in addition to which the below average performance of management will be considered.

BASIS FOR CALCULATION OF SEVERANCE PAY

Severance pay would be equal to the positive difference between:

- (i) 24 months' of monthly gross remuneration calculated based on the total gross, fixed and variable remuneration in respect of the employment contract (excluding performance shares, LTIP, stock-options and similar benefits) received during the 12 months preceding the expiry of the term of office of the Executive Board member,
- (ii) and the cumulative amount
 - (a) of the legal and contractual compensation relating to redundancy and or departure / retirement due as a result of termination of the employment contract,
 - (b) and the total gross amount of the monetary compensation for the above-mentioned non-compete agreement where this is owed to Jérôme LEFEBURE or David LARRAMENDY.

This commitment will not apply in the event of dismissal for gross misconduct personally committed by the member of the Executive Board contrary to the interests of the Company.

PAYMENT OF COMPENSATION OWED TO CHRISTOPHER BALDELLI UPON HIS DEPARTURE

When he joined M6 Group on 1 October 2017, upon the purchase of the Radio Division, Christopher BALDELLI benefited from a severance pay mechanism in his employment contract in the event of its termination by the employer.

On 7 November 2017, he was appointed as a member of the Executive Board by the Supervisory Board. On this occasion and pursuant to Article L. 225.90-1 of the French Commercial Code, the Supervisory Board implemented a minimum performance condition in order to receive this compensation.

On 1 July 2019, Christopher BALDELLI resigned from his position as a member of the Executive Board.

In July 2019, the Company unilaterally terminated his employment contract, resulting in a settlement that included the payment of severance pay.

At its meeting of 30 July 2019, the Supervisory Board took care to verify the actual fulfilment of the performance conditions required for the payment of the compensation, by recording a performance equal to 118% of the budgetary target throughout the 48 months preceding his departure.

As such, Christopher BALDELLI received said compensation on the date of his departure, and it is specified that the Company also released him from his non-compete clause.

Lastly, the Company firstly upheld his entitlement to 13,611 performance shares currently being vested that will only be delivered to him under the terms set out in each of the two current plans (2020 and 2021), out of a total of 19,667 shares initially allocated, and secondly, under his employment contract, ruled that in 2020 he will receive the proportion of his 2019 variable part, prorated according to his presence and in line with the fulfilment of the required performance criteria, i.e. €191,278.

2.3.2 Amounts paid to members of the Executive Board

In application of Article L. 225-37-3 of the French Commercial Code, the total remuneration received by the Group's Executive Board members, including benefits, is set out below.

The total remuneration paid or allocated to the members of the Executive Board for the 2019 financial year complies with the remuneration policy adopted by shareholders during the Combined General Meeting of 25 April 2019 in its 9th and 14th resolutions.

It should be noted that the remuneration policy of the Executive Board is characterised by three different remuneration tools, each having an identified objective:

- The fixed part of each of the members reflects the market remuneration for equivalent roles;
- The variable part, which is also fixed for each member according to their operational responsibilities. Its variable nature is conducive to over-achievement;
- The performance shares, which constitute a long-term remuneration mechanism, subject to stringent conditions: a three-year performance criteria and continued employment throughout this same period. This remuneration item not only targets operational over-achievement but also the commitment of team loyalty.

As such, the cumulative total of these remuneration tools facilitates alignment between the skills deployed by the Executive Board and the interests of the Company and its shareholders.

The table detailing the historical record of the allocation of performance shares (Table 10 of the AMF 2009-16 Recommendation and Table 9 of the AFEP-MEDEF Code) is presented in Section 3.7.2 of this Document.

There has been no stock-option allocation plan since 2009, and there is no longer any ongoing plan (Table 8 of the AMF 2009-16 Recommendation and of the AFEP-MEDEF Code is consequently not included in this Report).

Furthermore, the members of the Executive Board have not received any multi-year variable remuneration. Table 10 of the AFEP-MEDEF Code is therefore not included.

NICOLAS DE TAVERNOST, CHAIRMAN OF THE EXECUTIVE BOARD

Table 1 of AMF Recommendation - Summary of remuneration and options and performance shares granted

	FY 2018	FY 2019
Remuneration allocated in respect of the year (2)	1,790,980	1,838,320
Value of options allocated during the year (4)	0	0
Value of performance-based shares allocated during the year (6.1)	0	0
Value of performance-based shares allocated during the year and linked to multi-year performance (6.2)	419,160	330,750
Value of other long-term incentive plans	0	0
TOTAL	2,210,140	2,169,070

Fairness ratio

In accordance with the 2019 ruling on the remuneration of executives, in Article L. 225-37-3, as amended, in the French Code of Commerce, the Company calculated the fairness ratio between the remuneration of each executive and the average and median remuneration paid throughout the past five years. The change in this ratio is compared with Group EBITA.

	2015	2016	2017	2018	2019	2015/2019 change
Average employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	70,811	70,416	75,786	70,715	71,864	
Median employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	53,085	53,764	57,046	56,715	58,274	
Remuneration of the executive corporate officer ⁽²⁾	1,969,366	2,239,020	2,574,511	2,350,916	2,120,362	
Ratio to average employee salary	x 27.8	x 31.8	x 34.0	x 33.2	x 29.5	+106%
Ratio to median employee salary	x 37.1	x 41.6	x 45.1	x 41.5	x 36.4	+98%
Consolidated EBITA (€ millions)	200	246	254	266	284	+142%

⁽¹⁾ Remunerations on an equivalent full-time basis for employees of the Company, including employee savings plans and performance shares ⁽²⁾ Pursuant to Article L.225-37-3-1 of the French Commercial Code, the Company has chosen to present the remuneration paid in respect of the financial year. For executive corporate officers, this includes the valuation of performance shares allocated during the financial year

The ratio was stable between 2015 and 2019 while consolidated EBITA grew by 142%.

Table 2 of AMF Recommendation - Summary of remuneration

	FY 2018		FY 2019	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Portion as corporate officer				
Fixed remuneration	1,000,007	1,000,007	1,000,007	1,000,007
Variable remuneration	781,823	922,598	830,532	781,823
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Portion under the employment contract				
Fixed remuneration	0	0	0	0
Variable remuneration	0	0	0	0
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
<i>Sub-total</i>	<i>1,781,830</i>	<i>1,922,605</i>	<i>1,830,539</i>	<i>1,781,830</i>
Benefits in kind	9,150	9,150	7,781	7,781
TOTAL	1,790,980	1,931,755	1,838,320	1,789,611

His variable remuneration due in respect of the 2019 financial year represented 83% of his fixed remuneration, taking into account that his maximum variable part stood at 100% of his fixed remuneration.

Table 4 of AMF Recommendation - Options to subscribe or purchase shares allocated in 2019

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2019	Exercise price	Period of exercise
-	-	-	-	-	-

Table 5 of AMF Recommendation - Options to subscribe or purchase shares exercised in 2019

N° and date of plan	Number of options exercised in 2019	Exercise price
-	-	-

Table 6 of AMF Recommendation (1) - Performance shares granted in 2019 and 2018 and linked to an annual performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	IFRS2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
-	-	-	-	-	-	-	-

Table 6 of AMF Recommendation (2) - Performance shares granted in 2019 and 2018 and linked to a multi-year performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares ⁽¹⁾	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
n° AAAG1825072018 date: 25 July 2018	28,000	14.97	419,160	23.4%	31 March 2021	31 March 2021	Expected performance over 2018, 2019 and 2020 based on economic value creation
n° AAAG1930072019 date: 30 July 2019	25,000	13.23	330,750	18.0%	31 March 2022	31 March 2022	Expected performance over 2019, 2020 and 2021 based on economic value creation

Performance shares vested in 2019

N° and date of plan	Number of shares vested in 2019	Availability date = Vesting date	Vesting conditions
-	-	-	-

Table 7 of AMF Recommendation - Performance shares vested in 2019

N° and date of plan	Number of shares that became available in 2019	Vesting conditions
-	-	-

Table 11 of AMF Recommendation - Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓ ⁽²⁾		✓		16,197	✓			✓

(1) This amount was supplemented by a personal contribution of €9,701 (2) Suspended since 6 December 1990 Details of the maintenance of the employment contract, pension scheme and severance pay are set out in Section 2.3.1.

THOMAS VALENTIN, VICE-CHAIRMAN OF THE EXECUTIVE BOARD

Table 1 of AMF Recommendation - Summary of remuneration and options and performance shares granted

	FY 2018	FY 2019
Remuneration allocated in respect of the year (2)	874,335	932,192
Value of options allocated during the year (4)	0	0
Value of performance-based shares allocated during the year (6.1)	0	0
Value of performance-based shares allocated during the year and linked to multi-year performance (6.2)	278,442	224,910
Value of other long-term incentive plans	0	0
TOTAL	1,152,777	1,157,102

Fairness ratio

In accordance with the 2019 ruling on the remuneration of executives, in Article L. 225-37-3, as amended, in the French Code of Commerce, the Company calculated the fairness ratio between the remuneration of each executive and the average and median remuneration paid throughout the past five years. The change in this ratio is compared with Group EBITA.

	2015	2016	2017	2018	2019	2015/2019 change
Average employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	70,811	70,416	75,786	70,715	71,864	
Median employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	53,085	53,764	57,046	56,715	58,274	
Remuneration of the executive corporate officer ⁽²⁾	1,023,863	1,225,745	1,443,923	1,273,232	1,110,799	
Ratio to average employee salary	x 14.5	x 17.4	x 19.1	x 18.0	x 15.5	+107%
Ratio to median employee salary	x 19.3	x 22.8	x 25.3	x 22.4	x 19.1	+99%
Consolidated EBITA (€ millions)	200	246	254	266	284	+142%

⁽¹⁾ Remunerations on an equivalent full-time basis for employees of the Company, including employee savings plans and performance shares ⁽²⁾ Pursuant to Article L. 225-37-3-1 of the French Commercial Code, the Company has chosen to present the remuneration paid in respect of the financial year. For executive corporate officers, this includes the valuation of performance shares allocated during the financial year

The ratio was stable between 2015 and 2019 while consolidated EBITA grew by 142%.

Table 2 of AMF Recommendation - Summary of remuneration

	FY 2018		FY 2019	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Portion as corporate officer				
Fixed remuneration	0	0	0	0
Variable remuneration	70,562	122,429	118,859	70,562
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Portion under the employment contract				
Fixed remuneration	495,001	495,001	495,001	495,001
Variable remuneration	301,002	355,200	312,505	301,002
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
<i>Sub-total</i>	<i>866,565</i>	<i>972,630</i>	<i>926,365</i>	<i>866,565</i>
Benefits in kind	7,770	7,770	5,827	5,827
TOTAL	874,335	980,400	932,192	872,392

His variable remuneration due in respect of the 2019 financial year represented 87% of his fixed remuneration, taking into account that his maximum variable part stood at 111% of his fixed remuneration.

Table 4 of AMF Recommendation - Options to subscribe or purchase shares allocated in 2019

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2019	Exercise price	Period of exercise
-	-	-	-	-	-

Table 5 of AMF Recommendation - Options to subscribe or purchase shares exercised in 2019

N° and date of plan	Number of options exercised in 2019	Exercise price
-	-	-

Table 6 of AMF Recommendation (1) - Performance shares granted in 2019 and 2018 and linked to an annual performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
-	-	-	-	-	-	-	-

Table 6 of AMF Recommendation (2) - Performance shares granted in 2019 and 2018 and linked to a multi-year performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares (1)	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
n° AAAG1825072018 date: 25 July 2018	18,600	14.97	278,442	31.8%	31 March 2021	31 March 2021	Expected performance over 2018, 2019 and 2020 based on economic value creation
n° AAAG1930072019 date: 30 July 2019	17,000	13.23	224,910	24.1%	31 March 2022	31 March 2022	Expected performance over 2019, 2020 and 2021 based on economic value creation

Performance shares vested in 2019

N° and date of plan	Number of shares vested in 2019	Availability date = Vesting date	Vesting conditions
-	-	-	-

Table 7 of AMF Recommendation - Performance shares vested in 2019

N° and date of plan	Number of shares that became available in 2019	Vesting conditions
-	-	-

Table 11 of AMF Recommendation - Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		16,197	✓			✓

(1) This amount was supplemented by a personal contribution of €9,701. Details of the pension scheme and severance pay are set out in Section 2.3.1.

JÉRÔME LEFÉBURE, MEMBER OF THE EXECUTIVE BOARD

Table 1 of AMF Recommendation - Summary of remuneration and options and performance shares granted

	FY 2018	FY 2019
Remuneration allocated in respect of the year (2)	614,472	617,181
Value of options allocated during the year (4)	0	0
Value of performance-based shares allocated during the year (6.1)	0	0
Value of performance-based shares allocated during the year and linked to multi-year performance (6.2)	209,580	224,910
Value of other long-term incentive plans	0	0
TOTAL	824,052	842,091

Fairness ratio

In accordance with the 2019 ruling on the remuneration of executives, in Article L. 225-37-3, as amended, in the French Code of Commerce, the Company calculated the fairness ratio between the remuneration of each executive and the average and median remuneration paid throughout the past five years. The change in this ratio is compared with Group EBITA.

	2015	2016	2017	2018	2019	2015/2019 change
Average employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	70,811	70,416	75,786	70,715	71,864	
Median employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	53,085	53,764	57,046	56,715	58,274	
Remuneration of the executive corporate officer ⁽²⁾	753,532	777,754	986,693	867,628	856,869	
Ratio to average employee salary	x 10.6	x 11.0	x 13.0	x 12.3	x 11.9	+112%
Ratio to median employee salary	x 14.2	x 14.5	x 17.3	x 15.3	x 14.7	+104%
Consolidated EBITA (€ millions)	200	246	254	266	284	+142%

⁽¹⁾ Remunerations on an equivalent full-time basis for employees of the Company, including employee savings plans and performance shares ⁽²⁾ Pursuant to Article L. 225-37-3-1 of the French Commercial Code, the Company has chosen to present the remuneration paid in respect of the financial year. For executive corporate officers, this includes the valuation of performance shares allocated during the financial year

The ratio was relatively stable between 2015 and 2019 while consolidated EBITA grew by 142%.

Table 2 of AMF Recommendation - Summary of remuneration

	FY 2018		FY 2019	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Portion as corporate officer				
Fixed remuneration	0	0	0	0
Variable remuneration	22,067	38,287	37,170	22,067
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Portion under the employment contract				
Fixed remuneration	410,007	410,007	410,007	410,007
Variable remuneration	175,892	188,400	162,809	175,892
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
<i>Sub-total</i>	<i>607,966</i>	<i>636,694</i>	<i>609,986</i>	<i>607,966</i>
Benefits in kind	6,506	6,506	7,195	7,195
TOTAL	614,472	643,200	617,181	615,161

His variable remuneration due in respect of the 2019 financial year represented 49% of his fixed remuneration, taking into account that his maximum variable part stood at 59% of his fixed remuneration.

Table 4 of AMF Recommendation - Options to subscribe or purchase shares allocated in 2019

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2019	Exercise price	Period of exercise
-	-	-	-	-	-

Table 5 of AMF Recommendation - Options to subscribe or purchase shares exercised in 2019

N° and date of plan	Number of options exercised in 2019	Exercise price
-	-	-

Table 6 of AMF Recommendation (1) - Performance shares granted in 2019 and 2018 and linked to an annual performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
-	-	-	-	-	-	-	-

Table 6 of AMF Recommendation (2) - Performance shares granted in 2019 and 2018 and linked to a multi-year performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares (1)	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
n° AAAG1825072018 date: 25 July 2018	14,000	14.97	209,580	34.1%	31 March 2021	31 March 2021	Expected performance over 2018, 2019 and 2020 based on economic value creation
n° AAAG1930072019 date: 30 July 2019	17,000	13.23	224,910	36.4%	31 March 2022	31 March 2022	Expected performance over 2019, 2020 and 2021 based on economic value creation

Performance shares vested in 2019

N° and date of plan	Number of shares vested in 2019	Availability date = Vesting date	Vesting conditions
-	-	-	-

Table 7 of AMF Recommendation - Performance shares vested in 2019

N° and date of plan	Number of shares that became available in 2019	Vesting conditions
-	-	-

Table 11 of AMF Recommendation - Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		16,197	✓		✓	

⁽¹⁾ This amount was supplemented by a personal contribution of €9,701. Details of the pension scheme, severance pay and non-compete agreement are set out in Section 2.3.1.

DAVID LARRAMENDY, MEMBER OF THE EXECUTIVE BOARD

Table 1 of AMF Recommendation - Summary of remuneration and options and performance shares granted

	FY 2018	FY 2019
Remuneration allocated in respect of the year (2)	704,913	664,209
Value of options allocated during the year (4)	0	0
Value of performance-based shares allocated during the year (6.1)	0	0
Value of performance-based shares allocated during the year and linked to multi-year performance (6.2)	232,035	211,680
Value of other long-term incentive plans	0	0
TOTAL	936,948	875,889

Fairness ratio

In accordance with the 2019 ruling on the remuneration of executives, in Article L. 225-37-3, as amended, in the French Code of Commerce, the Company calculated the fairness ratio between the remuneration of each executive and the average and median remuneration paid throughout the past five years. The change in this ratio is compared with Group EBITA.

	2015	2016	2017	2018	2019	2015/2019 change
Average employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	70,811	70,416	75,786	70,715	71,864	
Median employee salary ⁽¹⁾⁽²⁾ excluding corporate officers	53,085	53,764	57,046	56,715	58,274	
Remuneration of the executive corporate officer ⁽²⁾	581,395	717,391	836,230	861,722	929,695	
Ratio to average employee salary	x 8.2	x 10.2	x 11.0	x 12.2	x 12.9	+158%
Ratio to median employee salary	x 11.0	x 13.3	x 14.7	x 15.2	x 16.0	+146%
Consolidated EBITA (€ millions)	200	246	254	266	284	+142%

⁽¹⁾ Remunerations on an equivalent full-time basis for employees of the Company, including employee savings plans and performance shares ⁽²⁾ Pursuant to Article L. 225-37-3-1 of the French Commercial Code, the Company has chosen to present the remuneration paid in respect of the financial year. For executive corporate officers, this includes the valuation of performance shares allocated during the financial year

The ratio recorded an increase between 2015 and 2019 comparable to that of consolidated EBITA.

Table 2 of AMF Recommendation - Summary of remuneration

	FY 2018		FY 2019	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Portion as corporate officer				
Fixed remuneration	0	0	0	0
Variable remuneration	46,681	50,000	43,888	46,681
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Portion under the employment contract				
Fixed remuneration	360,009	360,009	360,009	360,009
Variable remuneration	293,169	200,000	255,224	293,169
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
<i>Sub-total</i>	<i>699,859</i>	<i>610,009</i>	<i>659,121</i>	<i>699,859</i>
Benefits in kind	5,054	5,054	5,088	5,088
TOTAL	704,913	615,063	664,209	704,947

His variable remuneration due in respect of the 2019 financial year represented 83% of his fixed remuneration, taking into account that his maximum variable part stood at 97% of his fixed remuneration.

Table 4 of AMF Recommendation - Options to subscribe or purchase shares allocated in 2019

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2019	Exercise price	Period of exercise
-	-	-	-	-	-

Table 5 of AMF Recommendation - Options to subscribe or purchase shares exercised in 2019

N° and date of plan	Number of options exercised in 2019	Exercise price
-	-	-

Table 6 of AMF Recommendation (1) - Performance shares granted in 2019 and 2018 and linked to an annual performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
-	-	-	-	-	-	-	-

Table 6 of AMF Recommendation (2) - Performance shares granted in 2019 and 2018 and linked to a multi-year performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares (1)	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
n° AAAG1825072018 date: 25 July 2018	15,500	14.97	232,035	32.9%	31 March 2021	31 March 2021	Expected performance over 2018, 2019 and 2020 based on economic value creation
n° AAAG1930072019 date: 30 July 2019	16,000	13.23	211,680	31.9%	31 March 2022	31 March 2022	Expected performance over 2019, 2020 and 2021 based on economic value creation

Performance shares vested in 2019

N° and date of plan	Number of shares vested in 2019	Availability date = Vesting date	Vesting conditions
-	-	-	-

Table 7 of AMF Recommendation - Performance shares vested in 2019

N° and date of plan	Number of shares that became available in 2019	Vesting conditions
-	-	-

Table 11 of AMF Recommendation - Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits (1)	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		16,197	✓		✓	

⁽¹⁾ This amount was supplemented by a personal contribution of €9,701. Details of the pension scheme, severance pay and non-compete agreement are set out in Section 2.3.1.

CHRISTOPHER BALDELLI, VICE-CHAIRMAN OF THE EXECUTIVE BOARD UNTIL 1 JULY 2019

The remuneration of Christopher BALDELLI set out in this document for the 2019 financial year is the remuneration he has received until 31 August 2019, the date he left the Group. The information related to his departure is provided in Paragraph 2.3.1 of this Document.

Table 1 of AMF Recommendation - Summary of remuneration and options and performance shares granted

	FY 2018	FY 2019
Remuneration allocated in respect of the year (2)	1,174,837	547,265
Value of options allocated during the year (4)	0	0
Value of performance-based shares allocated during the year (6.1)	0	0
Value of performance-based shares allocated during the year and linked to multi-year performance (6.2)	141,377	0
Value of other long-term incentive plans	0	0
TOTAL	1,316,214	547,265

**When Christopher BALDELLI left, the Company maintained his entitlement to 9,444 performance shares out of the 15,500 allocated in 2018.*

Fairness ratio

The fairness ratio related to Christopher BALDELLI has not been included due both to his departure in mid-2019 and to his joining the Executive Board two years previously, meaning it is not possible to provide a record over a five-year period.

Table 2 of AMF Recommendation - Summary of remuneration

	FY 2018		FY 2019	
	Amounts due (€)	Amounts paid (€)	Amounts due (€)	Amounts paid (€)
Portion as corporate officer				
Fixed remuneration	0	0	0	0
Variable remuneration	18,817	0	0	18,817
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Portion under the employment contract				
Fixed remuneration	440,011	440,011	352,911	352,911
Variable remuneration	381,394	413,435	191,278	381,394
Multi-year variable remuneration	0	0	0	0
Exceptional remuneration	330,000	0	0	330,000
<i>Sub-total</i>	1,170,222	853,446	544,189	1,083,122
Benefits in kind	4,615	4,615	3,077	3,077
TOTAL	1,174,837	858,061	547,265	1,086,198

In January 2019, Christopher BALDELLI received €330,000 in accordance with a commitment undertaken by the previous shareholder RTL Group via an interim LTIP introduced prior to the acquisition of the Radio division by Métropole Télévision, and contingent upon the operational performance of the Radio Division and continued employment at 31 December 2018.

His variable remuneration due in respect of the 2019 financial year represented 43% of his fixed remuneration, taking into account that his maximum variable part stood at 100% of his fixed remuneration.

Table 4 of AMF Recommendation - Options to subscribe or purchase shares granted in 2019

N° and date of plan	Nature of options	IFRS 2 value of options	Number of options allocated in 2019	Exercise price	Period of exercise
-	-	-	-	-	-

Table 5 of AMF Recommendation - Options to subscribe or purchase shares exercised in 2019

N° and date of plan	Number of options exercised in 2019	Exercise price
-	-	-

Table 6 of AMF Recommendation (1) - Performance shares granted in 2019 and 2018 and linked to an annual performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
-	-	-	-	-	-	-	-

Table 6 of AMF Recommendation (2) - Performance shares granted in 2019 and 2018 and linked to a multi-year performance target

N° and date of plan	Number of shares allocated	IFRS 2 value of shares (1)	IFRS 2 valuation	% of financial year remuneration	Date of vesting	Date of availability	Performance conditions
n° AAAG1825072018 date: 25 July 2018	9,444*	14.97	141,377	12.0%	31 March 2021	31 March 2021	Expected performance over 2018, 2019 and 2020 based on economic value creation

*When Christopher BALDELLI left, the Company maintained his entitlement to 9,444 performance shares out of the 15,500 allocated in 2018.

Performance shares vested in 2019

Performance shares vested in 2019

N° and date of plan	Number of shares vested in 2019	Availability date = Vesting date	Vesting conditions
-	-	-	-

Table 7 of AMF Recommendation - Performance shares vested in 2019

N° and date of plan	Number of shares that became available in 2019	Vesting conditions
-	-	-

Table 11 of AMF Recommendation - Other information

Employment contract		Supplementary pension scheme		Amount paid in respect of retirement benefits ⁽¹⁾	Compensation or benefits due or liable to be due in the event of termination or change of duties		Compensation related to any non-compete agreement	
Yes	No	Yes	No		Yes	No	Yes	No
✓		✓		10,798	✓		✓	

⁽¹⁾ This amount was supplemented by a personal contribution of €6,468. Details of the pension scheme, severance pay and non-compete agreement are set out in Section 2.3.1.

2.3.3 Fixed sum allocated to the members of the Supervisory Board

REMUNERATION POLICY FOR MEMBERS OF THE SUPERVISORY BOARD

This section details the guidelines and criteria for the determination, apportionment and allocation of the fixed and variable items comprising the total remuneration and benefits in kind of any type of the members of the Supervisory Board of Métropole Télévision, which are submitted for the approval of the Combined General Meeting of Shareholders that will be held on 28 April 2020, pursuant to Article L. 225-82-2 of the French Commercial Code.

Moreover, in accordance with Article R. 225-56-1 of the French Commercial Code, the duration of the terms of office of Supervisory Board members is included in Section 2.1 of this Document.

This policy will be submitted for the ex-ante Say on Pay vote, in the 24th resolution of this Meeting.

The Board has set the rules covering the apportionment of the fixed amount allocated to members of the Supervisory Board:

- A fixed part attached to the role of each member (Chairman of the Board, Committee Chairman or member, Board member);
- A variable part depending on each member's attendance at Board and Committee meetings, as recommended in the AFEP-MEDEF corporate governance code.

This amount is understood to be a maximum, whose payment in full is conditional on the attainment of a 100% attendance rate.

The amounts awarded in respect of the fixed portion are settled on a pro rata temporis basis when the terms of office begin or end during a financial year.

At its meeting of 10 December 2019, the Appointments and Remuneration Committee recommended that the Supervisory Board member representing employees receive remuneration in relation to the performance of her duties. The recommendation was subsequently approved by the Supervisory Board.

Supervisory Board members do not receive any other form of remuneration from the Company or its subsidiaries, with the exception of the Board member representing employees, in respect of her employment contract, which is a permanent contract covered by ordinary law.

The total amount of remuneration allocated to Supervisory Board members has been set at €236,000 since 3 May 2012 (authorised by the General Meeting).

2019 APPORTIONMENT OF THE TOTAL AMOUNT OF REMUNERATION BETWEEN SUPERVISORY BOARD MEMBERS

	Fixed part	Variable part (per meeting)
Amount allocated to Supervisory Board members	€8,000	€1,500
Premium - Chairman of the Board premium	€5,000	
Premium - Member of a Committee	€3,000	
Premium - Chairman of a Committee	€2,500	

The variable part is therefore calculated based on attendance (€1,500 per Board or Committee meeting) and represents €117,000 overall, i.e. 50.2% of the total, in compliance with the AFEP-MEDEF Code which recommends that the remuneration allocated to Supervisory Board members should consist primarily of a variable portion.

Total amounts of €230,186 were paid in 2019 (compared with €235,800 in 2018). Their individual allocation is set out in the following table:

	FIXED PART			VARIABLE PART			Amount allocated and paid in 2019	Amount allocated and paid in 2018
	SB	AC	RAC	SB	AC	RAC		
Elmar Heggen *	€13,000	€3,000	€3,000	€9,000	€3,000	€6,000	€37,000	€32,233
Sophie de Bourgues	€8,000	€0	€3,000	€10,500	€0	€6,000	€27,500	€0
Marie Cheval	€8,000	€0	€4,719	€10,500	€0	€6,000	€29,219	€17,537
Philippe Delusinne *	€8,000	€0	€0	€7,500	€0	€0	€15,500	€12,400
Nicolas Houzé	€8,000	€4,719	€2,063	€9,000	€4,500	€0	€28,282	€15,937
Jennifer Mullin*	€7,342	€0	€0	€3,000	€0	€0	€10,342	€0
Mouna Sepehri	€8,000	€3,000	€0	€7,500	€3,000	€0	€21,500	€21,800
Vincent de Dorlodot *	€8,000	€0	€0	€10,500	€0	€0	€18,500	€15,600
Bert Habets *	€2,411	€0	€0	€1,500	€0	€0	€3,911	€10,625
Catherine Lenoble	€2,499	€0	€0	€1,500	€0	€0	€3,999	€15,600
Sylvie Ouziel	€2,499	€0	€0	€1,500	€0	€0	€3,999	€15,600
Gilles Samyn *	€2,499	€1,718	€1,718	€3,000	€1,500	€3,000	€13,434	€36,200
Juliette Valains *	€8,000	€0	€0	€9,000	€0	€0	€17,000	€2,537
Delphine Arnault								€1,775
Cécile Frot-Coutaz								€11,463
Anke Schäferkordt								€12,400
Guy de Panafieu								€8,351
Guillaume de Posch								€5,742
TOTAL			€116,186			€117,000	€230,186	€235,800

* before withholding tax of 12.8%

Since the Finance Act of 30 December 2017, new taxation provisions relating to remuneration paid to members of M6 Group's Supervisory Board resident in France are applicable, with the introduction of the single tax levy which includes:

- Social security charges (CSG, CRDS, etc.), at the rate of 17.2%, which must now be retained at source by M6;
- An income tax prepayment, at the rate of 12.8%, also retained at source by M6.

As a result, the amounts allocated to French members of M6 Group's Supervisory Board must be assigned an overall deduction of 30%.

2.3.4 Components of remuneration and benefits of any kind allocated and paid during the financial year just ended to executive corporate officers in relation to their terms of office (*individual ex-post Say on Pay*)

The components presented below will be submitted for the approval of the next Annual General Meeting (ex-post "say on pay" vote), in Resolutions 16 (for Nicolas de TAVERNOST), 18 (for Thomas VALENTIN), 19 (pour Jérôme LEFEBURE), 20 (for LARRAMENDY) and 21 (for Christopher BALDELLI).

It is specified that in accordance with Articles L. 225-82-2 and L. 225-100 II. of the French Commercial Code, the payment of the variable part in respect of both their term of office and the 2019 financial year of the remuneration of Executive Board members is subject to the approval of the General Meeting of Shareholders of 28 April 2020.

It is noted that in accordance with the Law, the remuneration items due or allocated in respect of the financial year ended 31 December 2018 to Nicolas de TAVERNOST, as Chairman of the Executive Board, and Thomas VALENTIN, Christopher BALDELLI, Jérôme LEFEBURE and David LARRAMENDY, as members of the Executive Board, were submitted to the vote of shareholders at the Combined General Meeting of 25 April 2019, in the 8th, 10th, 11th, 12th and 13th resolutions, approved by 98.96%, 89.28%, 89.27%, 89.26% et 89.25% of the respective votes cast.

Nicolas de TAVERNOST

Remuneration components paid or granted in respect of the term of office as Chairman of the Executive Board for the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Fixed remuneration	€1,000,007	€1,000,007	Unchanged since 1 January 2016
Annual variable remuneration	€781,823	€830,532 (amount payable after approval by the General Meeting)	Variable remuneration in 2019 comprised several components: - 63% calculated according to a Group EBITA target, - 27% calculated according to two audience targets, including 13.5% assessed on the cumulative audience share (4+ years target) of all Group channels, and 13.5% assessed on the audience share (WRP < 50 target) of the Group's unscrambled channels, - 10% calculated according to criteria connected with the company's corporate social responsibility (a challenge related to the representation of diversity in programmes, and a challenge related to raising public awareness of environmental issues). All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality. Variable remuneration increased by 6% compared with 2018.
Exceptional remuneration	€0	€0	No exceptional remuneration
Share options, performance-based shares or other long-term remuneration components		Options = €0	Nil
		Shares based on multi-year performance = €330,750	Number of shares allocated: 25,000 (or 0.02% of the share capital) The performance condition target for shares granted in 2019 (performance expected over 2019, 2020 and 2021 calculated based on economic value creation) was precisely determined but is not disclosed on the grounds of confidentiality. Subject to being employed by the Group on 31 March 2021. Date authorised by the Annual General Meeting: 25 April 2019 – 20 th resolution Date of allocation decision: 30 July 2019
		Shares based on annual performance = €0	Nil
		Other items = NA	Nil
Valuation of benefits in kind		€7,781	Company car

Remuneration components due or granted in respect of the financial year just ended which are or have been subject to a vote by the General Meeting in accordance with the procedure for regulated agreements and commitments	Amounts put to the vote	Details
Severance pay	€0	Compensation for breach of contract is equal to the difference between (i) twenty four (24) months of gross monthly remuneration, calculated on the basis of the total gross remuneration, including fixed and variable items, received over the twelve (12) months preceding the termination of Nicolas de TAVERNOST's term of office as Chairman of the Executive Board, and (ii) the aggregate amount of any legal and contractual compensation that may be payable in respect of the termination of the beneficiary's contract of employment. At its meeting of 21 February 2017, the Supervisory Board specified that the compensation mechanism in the event of the termination of the duties of Nicolas de TAVERNOST, implemented in 2008, would apply to all instances of termination as of 21 February 2017. This change in mechanism is warranted by Nicolas de TAVERNOST's agreement to continue his term of office beyond its initial expiry in 2018 and the exceptional character of his contribution to the creation of the Company in 1987, its continued growth and development and his strong performance, year after year. This undertaking was approved by the General Meeting of 26 April 2017 in its 5 th resolution.
Non-compete compensation	-	In order to comply with this new recommendation, as its meeting of 19 February 2019, the Supervisory Board confirmed that the non-compete clause signed with Nicolas de TAVERNOST has now been removed.
Supplementary pension scheme	€0	Supplementary and compulsory defined-contribution pension scheme, enabling the setting-up of an individual pension fund to finance the payment of a life annuity. The contributions paid by the Company amounted to €16,197, and were supplemented by a personal payment of €9,701.

Thomas VALENTIN

Remuneration components paid or granted in respect of the term of office as Member of the Executive Board for the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Annual variable remuneration	€70,563	€118,859 (amount payable after approval by the General Meeting)	<p>The variable component of Thomas Valentin's remuneration in respect of his role as a corporate officer is calculated according to four performance criteria, for which an annual target is set by the Supervisory Board to achieve payment of the maximum amount and a minimum performance level under which no variable component will be paid.</p> <p>A quarter of these criteria are made up by the cumulative audience share (4+ years target) of all Group channels, a quarter by are made up by the audience share (WRP < 50 target) of the Group's free-to-air channels, and the remaining half are made up by criteria connected with Corporate Social Responsibility (a challenge related to the representation of diversity in programmes, and a challenge related to raising public awareness of environmental issues).</p> <p>The portion of the maximum variable remuneration of Thomas Valentin for his role as a corporate officer in relation to his fixed remuneration is 33%.</p> <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration in respect of the term of office increased by 68% compared with 2018. The year 2019 was characterised by:</p> <ul style="list-style-type: none"> - a maximum performance on the two CSR criteria, - a television audience performance in relation to the higher target than that for the previous year.

Jérôme LEFEBURE

Remuneration components paid or granted in respect of the term of office as Member of the Executive Board for the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Annual variable remuneration	€22,067	€37,170 (amount payable after approval by the General Meeting)	<p>The variable component of Jérôme Lefebure's remuneration in respect of his role as a corporate officer is calculated according to four performance criteria, for which an annual target is set by the Supervisory Board to achieve payment of the maximum amount and a minimum performance level under which no variable component will be paid.</p> <p>45% of these criteria are made up by the cumulative audience share (4+ years target) of all Group channels, 45% are made up by the audience share (WRP<50 target) of the Group's free-to-air channels, and the remaining 10% are made up by criteria connected with Corporate Social Responsibility (a challenge related to the representation of diversity in programmes, and a challenge related to raising public awareness of environmental issues).</p> <p>The portion of the maximum variable remuneration of Jérôme Lefebure for his role as a corporate officer in relation to his fixed remuneration is 13%.</p> <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration in respect of the term of office increased by 68% compared with 2018. The year 2019 was characterised by:</p> <ul style="list-style-type: none"> - a maximum performance on the two CSR criteria, - a television audience performance in relation to the higher target than that for the previous year.

David LARRAMENDY

Remuneration components paid or granted in respect of the term of office as Member of the Executive Board for the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Annual variable remuneration	€46,681	€43,888 (amount payable after approval by the General Meeting)	<p>The variable component of David Larramendy's remuneration in respect of his role as a corporate officer is calculated according to four performance criteria, for which an annual target is set by the Supervisory Board to achieve payment of the maximum amount and a minimum performance level under which no variable component will be paid.</p> <p>90% of these criteria are made up by the Group's consolidated EBITA and the remaining 10% are made up by criteria connected with Corporate Social Responsibility (a challenge related to the representation of diversity in programmes, and a challenge related to raising public awareness of environmental issues).</p> <p>The portion of the maximum variable remuneration of David Larramendy for his role as a corporate officer in relation to his fixed remuneration is 14%.</p> <p>All criteria used for variable remuneration are precisely defined each year based on budget targets, but are not disclosed on the grounds of confidentiality.</p> <p>Variable remuneration in respect of the term of office fell by 6% in relation to 2017, since the EBITA target triggering payment of the maximum variable share was not met.</p>

Christopher BALDELLI

Remuneration components paid or granted in respect of the term of office as Member of the Executive Board for the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Annual variable remuneration	€18,817	-	Given that Christopher Baldelli left the Executive Board in 2019, he did not benefit from any variable remuneration in respect of his term of office over the financial year.

The components presented below will be submitted for the approval of the next Annual General Meeting (ex-post say on pay vote), in Resolutions 23:

Elmar HEGGEN, Chairman of the Supervisory Board

Remuneration components paid or granted in respect of the year ended 31 December 2019	Amounts paid during the financial year just ended	Amounts allocated during the financial year just ended or book value	Details
Fixed sum allocated	€37,000	€37,000	Increase of €4,767 due to his appointment as Chairman of the Supervisory Board during 2018

2.4 ADDITIONAL INFORMATION

2.4.1 Supplementary information on the composition of the Executive Board and Supervisory Board

To the best of the Company's knowledge, at the date of preparation of this document, no members of the Executive Board or Supervisory Board:

- have been found guilty of fraud;
- have been subjected to proceedings for bankruptcy, sequestration, liquidation or receivership while acting as members of an administration, management or supervisory body;
- have been found guilty of any offence and/or subjected to any official public sanction by any statutory or regulatory authority (including potentially designated professional organisations);
- have been subjected to any impediment to act as members of an administration, management or supervisory body or to be involved in managing or conducting the business of an issuer, in the course of the last five years.

In addition, to the best of the Company's knowledge, at the date of preparation of this document, there is:

- no family connection between any members of the Executive Board and of the Supervisory Board;
- no potential conflict of interest, as regards the issuer, between the duties of any member of an administration, management or supervisory body and their own private interests and other duties;
- no arrangement or agreement concluded with any one of the major shareholders or with clients, suppliers or other parties, under which any person who is a member of an administrative, management or supervisory body was selected as a member of an administrative, management or supervisory body or as a member of general management;
- no service contract between any member of the Executive Board or Supervisory Board with the Company and any of its subsidiaries and providing for benefits to be granted under the terms such a contract;
- no restriction agreed by persons who are members of an administrative, management or supervisory body concerning the disposal, within a certain period of time, of the issuer's securities that they hold.

In relation to the restrictions in trading in Company securities by the members of the Executive Board and the Supervisory Board, the Supervisory Board has decided, on the recommendation of the Remuneration Committee, to prohibit trading in the Company's shares during periods to be defined annually by the Executive Board to prevent insider trading (blackout periods are listed in Paragraph 2.3.2.1 of this document).

Rules applicable to transactions performed on financial instruments by corporate officers:

- The rules governing transactions on financial instruments by corporate officers are detailed in the Company's Ethics Charter.
- These rules state that due to the nature of their position and their duties, the corporate officers of M6, namely the members of the Executive Board and the Supervisory Board, may have access to privileged information.
- The rules prohibit corporate officers from using such information on the financial market, either for their own account or for any other, whether directly or through a third party, by buying or selling shares, or attempting to buy or sell shares or financial products linked to these shares. They must therefore abstain from communicating privileged information for any other purpose or activity than that for which it is held. They must also refrain from recommending that a third party trades in the securities. This also applies to privileged information concerning the ordinary business of the Company or the preparation or execution of any financial transaction.
- Pursuant to current regulations, corporate officers are subject to the declaration requirements relating to transactions in shares and restrictions relating to trading periods.

2.4.2 Management Committee and Executive Committee

The Executive Board leads the management of the Group's senior executives, within the framework of meetings of both the Executive Committee and the Management Committee.

EXECUTIVE COMMITTEE

The Executive Committee is composed of the most senior operational and functional executives. The Executive Committee is responsible for implementing the Executive Board's major operational and strategic decisions. In 2019, it met 18 times.

It comprises 4 members of the Executive Board, and the following 17 executives:

OPERATING MANAGERS



PHILIPPE BONY
Deputy Managing Director of M6 Publicité responsible for radio sales



GUILLAUME CHARLES
Managing Director responsible for M6 programmes



LIONEL CLER
Deputy Managing Director of M6 Publicité responsible for Marketing, Studies and Digital



THIERRY DESMICHELLE
Managing Director of SND and M6 Films



JACQUES ESNOU
Head of the RTL Editorial Office



JÉRÔME FOUQUERAY
Managing Director of W9 and 6ter



RONAN DE FRESSENEL
Managing Director of M6 Digital Services and Managing Director of the Ventadis division



TRISTAN JURGENSEN
Managing Director of RTL2 and Fun Radio



LAURENCE SAUVETON-VIEILLE
Head of Group Productions



BÉRENGÈRE TEROUANNE
Head of Acquisitions



FRÉDÉRIC DE VINCELLES
Managing Director of programmes responsible for digital platforms and sports

CORPORATE MANAGERS



MATTHIEU BIENVENU
Head of Group Communication



KARINE BLOUËT
Corporate Secretary



HENRI DE FONTAINES
Head of Strategy and Development



CHRISTOPHE FOGLIO
Head of Human Resources



VALÉRY GERFAUD
Chief Technology and Digital Innovation Officer



NATHALIE-CAMILLE MARTIN
Legal Counsel

MANAGEMENT COMMITTEE

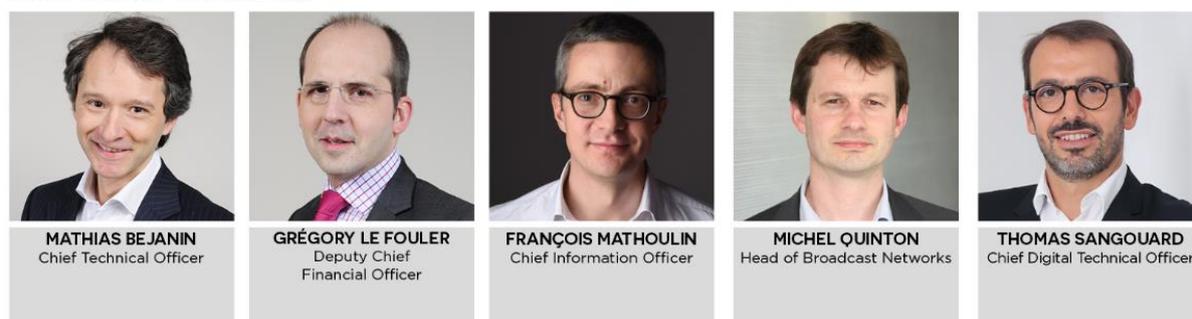
The Management Committee, comprising the main managers responsible for operational activities and functional services, is a framework for exchange on business management. In 2019, the Management Committee met 10 times. Detailed minutes of each meeting were kept and handed out to each member.

It currently comprises 37 members: the 4 members of the Executive Board, the 17 members of the Executive Committee, and the following 16 executives:

OPERATING MANAGERS



CORPORATE MANAGERS



M6 ensures gender balance within the Committees set up. As such, in December 2019 27% of the members of the Management Committee were women, in accordance with the Haut Comité au Gouvernement d'Entreprise (HCGE, High Committee on Corporate Governance), which recommends a quota of 20% in 2022.

In addition to these Committees, M6 Group ensures this male/female representation across all senior positions. 40% of the Group's 184 leading executives are therefore women (representing 10% of the workforce, excluding the Executive Board).

2.4.3 Participation of shareholders in general meetings

The terms and conditions of participation of shareholders in General Meetings are described in Article 29 of the Bylaws and set out in Section 3.1.2 of this document.

2.4.4 Factors likely to have an effect in the event of a public offering

It should be noted that within the framework of the provisions of Article 39 of the Law of 30 September 1986, no single private individual or entity, acting alone or in concert, may directly or indirectly hold more than 49% of the share capital or voting rights of a company holding a broadcasting licence for a national terrestrial free-to-air television service.

The Company cannot therefore be the subject of a public offering.

Nevertheless, in accordance with the provisions of Article L. 225-37-5 of the French Commercial Code, we note the following factors:

- the structure of the Company's share capital is detailed in Section 3.5 of this document;
- the statutory restrictions on the exercise of voting rights and on the transfer of shares, or provisions in the agreements of which the Company has been made aware pursuant to Article L. 233-11 of the Commercial Code, are detailed in Section 3.5 of this document;
- direct or indirect investments in the Company's share capital, of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the Commercial Code, are detailed in Section 3.5 of this document;
- a list of holders of any securities that confer special control rights and a description of these rights is not included as it is not applicable in this case;
- the control mechanisms provided for in any potential employee-shareholding scheme, where the control rights are not exercised by the employees, are detailed in Section 3.7 of this document;
- agreements between shareholders of which the Company is aware and that may result in restrictions on the transfer of shares and the exercise of voting rights are detailed in Section 3.9.1 of this document;
- the rules applicable to the appointment and replacement of the members of the Executive Board, as well as to the amendment of the Company's Bylaws, are detailed in Section 2.2 of this document;
- the powers of the Executive Board, specifically in terms of issuing or buying back shares, are detailed in Section 3.6 of this document;
- agreements entered into by the Company that would be altered or terminated in the event of a change in control of the Company, except where this disclosure would seriously jeopardise its interests, save in the event of a legal disclosure obligation, as they are not applicable in this case;
- agreements providing for severance payments for members of the Executive Board or employees, if they resign or are made redundant without a genuine or serious motive, or if their employment is terminated due to a public offering, are detailed in Section 2.3.1 of this document.

2.4.5 Agreement between a corporate officer or a shareholder and a controlled entity

Agreements between a corporate officer or a shareholder and a controlled entity, as defined in Article L. 233-3 of the French Commercial Code, are set out in the paragraphs of Section 2.3.1 of this document outlining the remuneration policy relating to David LARRAMENDY, paid by M6 Publicité.

2.4.6 Process for classification of standard agreements

At its meeting of 13 February 2020, the Supervisory Board adopted a classification process in for standard agreements.

The purpose of this process is to regularly assess whether the agreements relating to ongoing operations and concluded under normal conditions properly meet the conditions set out within the framework of the provisions of Article L. 225-87 Paragraph 2 of the French Commercial Code, as amended by Law n°2019-486 of 22 May 2019 relating to the growth and transformation of companies (known as the "Pacte" Law).

This process:

- defines the criteria for identifying these standard agreements;
- implements process for classifying and assessing said agreements.

As such, the CFO must be informed in advance of any transaction likely to constitute a regulated agreement.

It will then be his responsibility to decide on the classification of the agreement, it being understood that the Supervisory Board can, under any circumstances, conduct this classification itself. Within this framework, case by case assessments will be undertaken:

- If the CFO assesses that the agreement concerned is a regulated agreement, he will inform the Supervisory Board or its Chairman accordingly so that the legal process can be implemented.
- If the CFO assesses that it is not, and that it relates to a standard agreement concluded under normal conditions, he will submit a report to the Audit Committee (which may itself decide on the necessity to report on it immediately to the Supervisory Board).

The existing agreements classified as standard and concluded under normal conditions will be reviewed each year by the CFO.

The list of agreements as well as the findings of their review by the CFO will be forwarded annually to the Audit Committee which will, each year, inform the Board of the implementation of the assessment procedure, its results and any observations.

This Report will now also contain the description of the implementation of this procedure.

2.4.7 Current delegations granted by the Annual General Meeting

The current delegations granted by the General Meeting are set out in Section 3.6.1 of this document.

2.5 OBSERVATIONS OF THE SUPERVISORY BOARD TO THE COMBINED GENERAL MEETING OF 28 APRIL 2020

To the Shareholders,

At this Combined General Meeting called in accordance with the law and the Bylaws, you have just received the reports of the Executive Board and the Statutory Auditors for the year ended 31 December 2019.

In accordance with Article L. 225-68 of the Commercial Code, we bring to your attention our observations regarding the Report of the Executive Board and the financial statements for the year ended 31 December 2019.

Moreover, we draw to your attention the purpose of the Supervisory Board's work, as set out in Section 2.1.2.5 of the Universal Registration Document.

At its meeting of 13 February 2020 and as proposed by the Remuneration and Appointments Committee, the Supervisory Board decided to renew the terms of office of the entire Executive Board for a period of three years, to run until 13 February 2023.

The Supervisory Board reappointed Nicolas de TAVERNOST as Chairman of the Executive Board in the knowledge that that he will reach the statutory age limit on 22 August 2022. In this regard and in accordance with the recommendations of the AFEP-MEDEF Code, the Supervisory Board has asked Nicolas de TAVERNOST to be fully involved in the Appointment Committee's work to choose his successor.

Moreover, at the same meeting on 13 February 2020, and due to the expiry of the terms of office of Métropole Télévision's two Statutory Auditors, and upon the proposal of the Audit Committee which, since the autumn of 2019, has overseen the organisation of a process to select the next college and which has acknowledged the recommendation of the Company, the Supervisory Board has decided to propose the appointments of the firms Ernst & Young and KMPG to the General Meeting.

The Report of the Executive Board to the General Meeting does not call for any specific comments by the Supervisory Board.

The Board has reviewed the proposed resolutions submitted to the General Meeting and invites you to approve them in order to provide the Executive Board with the necessary means by which to implement its strategy.

The financial statements for the year ended 31 December 2019, as presented to you, after review by the Audit Committee and certification by the Statutory Auditors, do not call for any comment by the Supervisory Board.

Neuilly sur Seine, 13 February 2020.

The Supervisory Board



3

COMPANY AND SHARE CAPITAL
INFORMATION

3.1 COMPANY BYLAWS

3.1.1 Major legal information concerning the Company

Company name	MÉTROPOLE TÉLÉVISION
Registered office and head office	89, avenue Charles-de-Gaulle 92575 Neuilly-sur-Seine Cedex France Telephone: +33 1 41 92 66 66
Legal form	A French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board, governed by the Commercial Code and regulations specific to audiovisual activities.
Share capital	At 31 December 2019, the share capital was €50,565,699.20 represented by 126,414,248 shares of the same class with a par value of €0.40 each.
Date of incorporation - duration	The Company was incorporated on 13 October 1986 for a period of 99 years unless subject to early dissolution or extension.
Trade and companies register - Siret – APE code	The Company is entered in the Trade and Companies Register under the numbers: RCS Nanterre 339 012 45 SIRET 339 012 452 00084 APE 6020A
LEI (Legal Entity Identifier)	96950018NOMJX5XRH047

3.1.2 Bylaws updated on 25 April 2019

Article 1 - Legal form

A French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board, governed by legal and regulatory provisions applicable to public limited companies and by these Bylaws.

Article 2 – Company name

The name of the Company is: MÉTROPOLE TÉLÉVISION

Article 3 – Corporate purpose

The Company's corporate purpose is as follows:

- operation of one or more audiovisual communications service broadcast or distributed over terrestrial, cable, satellite networks or by any other means that may be authorised, as applicable, by the Conseil Supérieur de l'Audiovisuel (CSA), comprising in particular the conception, production, programming and broadcasting of television programmes, including advertisements;
- all industrial, commercial, financial and real estate transactions directly or indirectly connected to the above and any similar, related or complementary aims likely to further their achievement or development or to any net assets, directly or indirectly, for itself or on behalf of third parties, either singly or with third parties, by way of creating new companies, contributions, sponsorship, subscription, purchase securities or rights of ownership, merger, combinations, joint venture associations or by obtaining the use of any property or rights under a lease, lease management agreement or by acceptance in lieu, or otherwise. Its activity is pursued in accordance with the obligations defined by competent authorities and applicable laws.

Article 4 – Duration

The Company was incorporated for a period of 99 years from the date of registration in the Trade and Companies Register unless subject to early dissolution or extension as provided for by the Law or these Bylaws.

Article 5 – Registered office

The Company's registered office is located at:

89 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine

It may be transferred to any other location in France by decision of the Supervisory Board, subject to ratification by the next Ordinary General Meeting.

Article 6 – Share capital

The share capital is set at €50,565,699.20. represented by 126,414,248 shares of the same class with a par value of €0.40 each.

Article 7 – Changes in share capital

The share capital may be increased or reduced under the conditions and in accordance with applicable legal and regulatory provisions.

It may also be amortised pursuant to Articles L. 225-198 and subsequent of the Commercial Code.

Article 8 - Paying-up of shares

Shares representing contributions in kind made during a capital increase must be fully paid up.

At least a quarter of the par value of shares subscribed to in cash and, if applicable, the full issue premium, must be paid up upon subscription.

The remainder must be paid up in one or more instalments within 5 years of the day on which the capital increase was completed, at the dates and in the proportions that shall be fixed by the Executive Board. Payments are made at the Registered Office into funds specially designated for said purpose.

Shareholders are notified of calls for funds either by a notice published in a legal gazette of the locality in which the registered office is located, no less than fifteen days before the period appointed for each payment, or by registered letter addressed to each shareholder within the same period.

Article 9 - Failure to pay up shares

Any late payment shall bear interest as of right in favour of the Company at the legal rate in commercial matters plus three percentage points, accruing from the date such payment was due, without need of legal action.

If the shareholder fails to pay up the shares within the time frames set by the Executive Board, the Company shall address them a formal notice by registered letter with acknowledgement of receipt.

At least one month after such formal notice has gone unheeded, the Company has the right to proceed with the sale of the shares that have not been paid up in full.

The sale of the shares is carried out under the conditions stipulated by law.

The net proceeds of the sale return to the Company, and are included on what is owed to it in principal and interest by the defaulting shareholder and later by the refund of expenditure incurred by the Company to carry out the sale.

The defaulting shareholder remains liable or benefits from the difference.

The defaulting shareholder, successive transferees and subscribers shall be jointly liable for the unpaid amount of the share. The Company may take action against them, before or after the sale, or at the same time, to obtain payment of the sum due and a refund of the costs incurred.

Two years after the transfer of securities from one account to another, any subscriber or shareholder who had transferred his/her security ceases to be held accountable for payments not yet called for.

Amounts called but not paid on shares cease, within thirty days of the formal notice, to qualify the holder to attend and vote at shareholder Meetings and shall not be taken into account for calculating the quorum.

The right to dividends and the pre-emption right in capital increases attached to said shares are suspended.

Article 10 - Form of shares

Shares may be held in registered or bearer form.

Shares and any other securities issued by the Company are recorded in an account on behalf of their holders, or if applicable, the name of the intermediary, in accordance with the legislation in force.

The Company, after examining the list sent by the securities clearing agency, is entitled, either through this agency or directly, to request information regarding ownership of the securities to the persons appearing on this list and those whom the Company believes may be registered on behalf of a third party.

If said persons are intermediaries, they are required to disclose the identity of the holders of these securities. The information is provided directly to the authorised financial intermediary of the account holder, which must then disclose it to the Company or aforementioned agency, as appropriate.

Article 11 - Form and transfer of shares

1. Shares are freely negotiable.

Shares are transferred by transfer from one account to another subject to applicable legal provisions. In the event of an increase in the share capital, shares may be traded as soon as it is completed.

2. Any individual or legal entity, acting alone or in concert, that attains a holding of at least 1% or any multiple of 1% of the capital and/or voting rights must notify the Company of the number of shares and/or voting rights held within a period of five stock market trading days from the moment this threshold is exceeded, by registered letter with return receipt addressed to its registered office.

The number of shares that determine the above thresholds shall include indirectly held shares and/or voting rights and shares and/or voting rights as defined by Articles L. 233-7 and subsequent of the Commercial Code.

This declaration must also be made each time that the fraction of share capital or voting rights held becomes less than one of the thresholds stated above.

In the absence of regular disclosure in the conditions described above, unreported shares in excess of the threshold lose their voting rights in respect of any shareholders' meeting that may be held within a two-year period following the regularisation date, upon request, recorded in the minutes of the Annual General Meeting, of one or more shareholders holding 5% of the share capital.

3. Intermediaries registered as holders of shares pursuant to Article L. 228-1 of the Commercial Code are required, without prejudice to the obligations of the owners of shares, to make the declarations stipulated in this article for all of the shares of the Company for which they are registered as the holder.

The requirements set forth in the present Article shall not limit the application of the provisions of the Law of 30 September 1986 on the free disclosure of share ownership or voting rights of companies licensed to operate an audiovisual communication service, or of any other provisions under law.

Article 12 - Rights and obligations attached to shares

Ownership of shares results from the registration of their owners or the intermediary registered as holding the shares as prescribed by Article L. 228-1 of the Commercial Code.

Upon request from and at the expense of the holder of a share account, account managers issue a statement specifying the nature and the number of shares registered to his/her account and the details that it contains.

Shareholders are only liable up to the par value of the shares which they hold and any request for funds beyond that amount is prohibited.

Each share entitles its holder to ownership of a portion of the assets and profits of the Company, in proportion to the percentage of the share capital it represents, while taking into account, if applicable, whether or not any shares have been redeemed, whether or not they have been fully paid up, the nominal value of the shares and the rights of shares of different class, and, subject to these reservations, each share carries a right, during the term of the Company or upon its liquidation, to the payment of the same net sum of any distribution or refund, in such a way that all shares shall be considered as a whole, without, if applicable, distinction for any tax exemption or any taxation likely to be borne by the Company.

Share ownership automatically entails acceptance of the Company's Bylaws and the resolutions duly adopted by the General Meetings.

The rights and duties attached to a share shall be transferred to the holder of the account on which the share is registered.

Heirs, representatives or creditors of a shareholder may not, on any grounds whatsoever, call for the affixing of seals on the assets and valuables of the Company, or call for a division or sale by auction thereof, or interfere in any manner whatsoever in its administration; for the exercise of their rights, they shall be bound by the statements of corporate assets and liabilities and resolutions of the General Meeting.

The shares are indivisible. Joint owners of an indivisible share shall be represented to the Company by one of them or by a sole proxy.

The voting right belongs to the beneficial owners at both Ordinary and Extraordinary General Meetings.

Whenever more than one share is required to exercise a particular right, specifically in the event of a share exchange, consolidation or allocation, or as a result of an increase or reduction in share capital, or in the event of a merger or other transaction, shareholders who own only one share or who do not own the minimum number required have no rights against the Company; shareholders must make their own arrangements to form a group or to purchase or sell the requisite number of shares or rights.

Article 13 - Other securities

The Executive Board is qualified to decide on or authorise the issue of bonds and/or debt securities conferring entitlement to the allocation of other debt securities or giving access to existing equity securities under the conditions and arrangements provided for by law. The General Meeting may also exercise this power.

Only the Extraordinary General Meeting, based on the report of the Executive Board and the report of the Statutory Auditors, has authority to decide or authorise the issue, as provided by applicable regulations, of any securities which are equity securities giving access to other equity securities or conferring entitlement to the allocation of debt securities or marketable securities giving access to the equity securities to be issued.

Article 14 - Administration of the Company - General provisions

An Executive Board, which acts under the supervision of a Supervisory Board, governs the Company.

When a transaction requires the authorisation of the Supervisory Board, which is denied, the Executive Board may submit the dispute to the Shareholders' General Meeting, which decides what action should be taken.

Article 15 – Executive Board

The Executive Board comprises between two and five members appointed by the Supervisory Board.

The members of the Executive Board must be natural persons who do not need to be shareholders, and may even be Company employees.

If a member of the Supervisory Board is appointed to the Executive Board, his/her term on the Board ends when he/she takes office.

No individual may serve more than one term as Chief Executive Officer, Executive Board member, or Sole Chief Executive Officer or Chairman of the Board of Directors for public limited companies having their registered office on French territory, subject to exceptions provided for by law.

A member of the Executive Board may not accept an appointment to another Executive Board, as Sole Chief Executive Officer, or as Chairman of the Board of Directors of another company, without the permission of the Supervisory Board.

The General Meeting and Supervisory Board may remove from office any member of the Executive Board. In the event that the individual has an employment contract with the Company, the removal from office as a member of the Executive Board will not terminate said contract.

Article 16 - Term of office of Executive Board members

The Executive Board is appointed for a period of three years. In the event of vacancies, the Supervisory Board may designate a replacement until renewal of the Executive Board, subject to the provisions of Article 15 paragraph 1 of the Bylaws.

All members of the Executive Board may be re-elected.

No one aged 72 or over may be appointed member of the Executive Board. Any member of the Executive Board who reaches said age limit while in office shall be deemed to have resigned.

The nature and amount of remuneration for each Executive Board member is determined by the Supervisory Board, under the conditions provided for in Article L. 225-82-2 of the French Commercial Code.

Article 17 - Organisation and operation of the Executive Board

1. The Supervisory Board appoints a member of the Executive Board as Chairman.

2. The Executive Board meets as often as required in the interest of the Company, at the registered office, or any other location specified in the notice of meeting.

It is convened by the Chairman or by at least two of its members.

At least half the members must be in attendance to validate submissions,

which must be approved by a majority of members in attendance. In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. Mandatory deliberations are recorded in the minutes signed by the members who took part in the session, however failure to comply with said formality does not invalidate decisions taken.

The minutes include the name of members present, represented, or absent.

These minutes are either recorded in a special register or bound.

The copies or extracts of these minutes are certified by the Chairman of the Executive Board or by one of its members, and, under liquidation, by a liquidator.

4. The members of the Executive Board may distribute management duties among themselves. However, this distribution may under no circumstances relieve the Executive Board of its character as the body collectively responsible for deciding the Company's general management.

5. The Supervisory Board may appoint, from among the members of the Executive Board, one or more chief executive officers, with power of representation in relation to third parties.

Article 18 - Powers of the Executive Board

1. The Executive Board has the widest possible powers to act in all circumstances on behalf of the Company with third parties, to the exception of powers expressly bestowed upon the Supervisory Board and Shareholders' General Meetings by the law.

In its relations with third parties, the Company is bound even by the actions of the Executive Board which are not part of the corporate purpose unless it can prove that the third parties were aware of it, publication of the Bylaws not being sufficient proof thereof.

2. The Executive Board may delegate those of its powers that it deems necessary.

Article 19 - Representation in dealings with third parties

The Chairman of the Executive Board and each of the chief executive officers represent the Company in its dealings with third parties.

The appointments and terminations of members of the Executive Board must be published pursuant to the law.

Acts binding the Company as regards third parties must bear the signature of the Chairman of the Executive Board or one of the Chief executive officers or any other person duly authorised.

Article 20 - Supervisory Board

1. The Supervisory Board comprises a minimum of three and a maximum of fourteen members, subject to the derogation provided by law in the event of a merger.

During the existence of the company the members of the Supervisory Board are appointed by an Ordinary General Meeting of shareholders; however in the case of a merger or division the appointment may be made by the Extraordinary General Meeting. At least one third of members must be deemed independent. A member of the Supervisory Board is deemed independent when

he/she has no relationship of any kind with the Company, its Group or its management likely to compromise the exercise of his/her free judgement.

1. Bis. Furthermore, pursuant to Article L. 225-79-2 of the French Commercial Code, the Supervisory Board includes a member of the Board representing Group employees.

If the number of Supervisory Board members appointed by the Ordinary General Meeting exceeds twelve, a second member of the Board representing employees is appointed, in accordance with the provisions set out below, within six months of co-optation by the Board or appointment by the Ordinary General Meeting of a new member of the Supervisory Board.

The number of Board members to be taken into account in determining the number of Board members representing employees is assessed on the appointment date of the employee representatives to the Board. Neither the Supervisory Board members elected by the employees pursuant to Article 225-79 of the French Commercial Code, nor the Board member representing employee shareholders appointed pursuant to Article 225-71 of the French Commercial Code are taken into account in this respect.

Board members representing employees are appointed for a period of 4 years.

If the number of Supervisory Board members appointed by the Ordinary General Meeting is reduced to 12 or less, this reduction will not affect the duration of the term of office of employee representatives to the Board, which term will expire as normal.

In the event of the vacancy of a Board member representing employees for any reason whatsoever, said vacancy is filled pursuant to the provisions of Article 225-34 of the French Code of Commerce.

As an exception to the rule laid down in Article 21 of these Bylaws for Supervisory Board members appointed by the Ordinary General Meeting, Board members representing employees are not required to hold a minimum number of shares.

Board members representing employees are appointed by the Company's Works Council.

In the event that the Company is no longer subject to the obligation to appoint a Board member to represent employees, the term of office of the employee representative(s) on the Board continues until its normal expiry.

2. Supervisory Board members are appointed for a period of 4 years. As an exception and solely for the purpose of establishing and maintaining staggered terms of office for Supervisory Board members, the Ordinary General Meeting may appoint one or several members of the Supervisory Board for terms of one, two or three years.

The term of office of a member of the Supervisory Board expires at the end of the shareholders meeting held to approve the accounts of the previous financial year in which his/her term expires.

Members of the Supervisory Board may always be re-elected.

The Ordinary General Meeting may remove them from office at any time.

No person over the age of 70 may be appointed to the Supervisory Board should this appointment lead to one third of Board members exceeding this age. Furthermore, if the one-third proportion is exceeded as a result of a member of the Board in office reaching the age of 70, the eldest member of the Supervisory Board is deemed to have resigned after the next Ordinary General Meeting.

3. The members of the Supervisory Board may be natural persons or legal entities; the latter must, upon appointment, designate a permanent representative who is subject to the same conditions, obligations and responsibilities as if he/she were a member of the Board in his/her own name, without prejudice to the joint and several liability of the legal entity he/she represents.

The permanent representative is appointed for the same duration of term of office as the legal entity he/she represents.

If the legal entity terminates the appointment of his/her representative, he/she is bound to immediately notify the Company, by registered letter, of such termination as well as of the identity of the new permanent representative; the same shall apply in the event of death, resignation or extended incapacity of the permanent representative.

4. In the event of a vacancy, due to death or resignation of one or several of its members, the Board may appoint members on a provisional basis between two General Meetings.

Appointments made by the Supervisory Board are subject to approval from the following Ordinary General Meeting. Failing ratification, the deliberations and actions previously taken by the Board nevertheless remain valid.

A member of the Supervisory Board appointed to replace another member only remains in office for the remainder of the predecessor's term.

If the number of members of the Supervisory Board falls below three, the Executive Board must immediately convene the Ordinary General Meeting in order to appoint new members to the Supervisory Board.

5. The natural persons who are members of the Supervisory Board, as well as the permanent representatives of legal entities members of the Supervisory Board, are subject to the cumulated provisions of Articles L.225-21, L.225-27, L.225-94 and L.225-94-1 of the Commercial Code regarding the simultaneous terms of office of members of the Supervisory Board of public limited companies having their registered office on French territory, and holding office as Chief Executive Officer, Executive Board member, Sole Chief Executive Officer, or Director of such companies, subject to the provisions of Article L.225-95-1 of the aforementioned Code.

Article 21 - Shareholding requirements

Every member of the Supervisory Board must hold 100 shares.

If, on the day of appointment, a member of the Board does not hold the required number of shares or if, during the term of office, he/she is no longer the holder, he/she is deemed to have resigned, if he/she has not remedied the situation within six months.

Article 22 - Organisation and operation of the Supervisory Board

1. The Supervisory Board elects from amongst its members a Chairman and a Vice-Chairman, who are in charge of convening and directing meetings. It determines the amount of their remuneration under the conditions provided for in Article L. 225-82-2 of the French Commercial Code. The Chairman and Vice-Chairman are natural persons. They are appointed for the same duration as their Supervisory Board term of office. They may always be re-elected.

In the event of absence or incapacity of the Chairman, the Vice-Chairman chairs the Board meeting.

The Board may appoint a secretary, who does not need to be a shareholder.

2. The Supervisory Board meets as often as required in the interest of the Company upon notice of its Chairman, or failing that, its Vice-Chairman.

The Chairman must convene the Board within fifteen days if at least one member of the Executive Board or at least one third of the members of the Supervisory Board submit(s) a reasoned request.

If the request remains without effect, its initiators may convene the Board and set the agenda.

The meetings take place at the registered office or any other place specified in the notice of meeting.

Any member of the Board may grant proxy to a colleague, even by letter or telegram, to represent him/her at a Board meeting.

At least half of Board members must be in attendance for deliberations to be valid.

Decisions are taken by a majority of the votes of attending and represented members. Each member has one vote and may not represent more than one other Board member.

In the event of a split vote, the Chairman of the meeting shall have the casting vote.

3. An attendance register is kept and signed by the Board members attending the meeting, stating the name of members of the Supervisory Board who took part in deliberations by means of video conference or telecommunications.

Minutes are drafted and copies or extracts of deliberations are issued and certified pursuant to the law.

4. Except in cases specifically excluded by applicable legislative or regulatory provisions, shall be deemed present for the purpose of calculating the quorum and the majority members of the Supervisory Board participating in the meeting of the Board by video conference or means of telecommunications enabling their identification and effective participation, the nature and applicable conditions of which are determined in accordance with legal and regulatory provisions.

Article 23 - Compensation of members of the Supervisory Board

The General Meeting may allocate members of the Supervisory Board an annual fixed sum, as attendance fees, the amount of which is recorded as Company overheads.

The Supervisory Board allocates such compensation among members as it deems appropriate.

Moreover the Board may allocate exceptional compensation to some members for assignments or mandates with which they have been entrusted.

No other compensation, whether permanent or not, apart from that possibly allocated by the Chairman and the Vice-Chairman, may be paid to members of the Supervisory Board.

Article 24 – Powers of the Supervisory Board

The Supervisory Board exercises permanent control of the Company's management by the Executive Board and provides prior approval to the latter to finalise transactions that require its authorisation.

1. The Supervisory Board:

- appoints the members of the Executive Board and the Chairman, and if necessary the Chief executive officers from among the members of the Executive Board; it decides or may propose to the General Meeting dismissal, and sets their compensation;
- convenes the Shareholders' General Meeting if necessary, if the Executive Board fails to do so, and draws up its agenda;
- authorises the agreements referred to in Article 25 hereinafter (Article L. 225-86 of the Commercial Code);
- authorises the sale of property as well as the total or partial sale of investments and the constitution of securities on company assets; the Supervisory Board may, subject to specific individual limits, authorise the Executive Board to proceed with the above-mentioned transactions; all transactions exceeding the set amount require the authorisation of the Supervisory Board in each case;
- may authorise the Executive Board to issue securities, sureties, or guarantees during a period which may not exceed 1 year, and within the limit of a total amount fixed by its decision;
- decides the relocation of the registered office to any location in France, subject to ratification by the next Ordinary General Meeting;
- at any time of the year, carries out the verifications and controls it deems appropriate and may request any documents that it deems useful to perform its duties.

The Executive Board shall submit a report to the Supervisory Board on Company matters whenever the Supervisory Board sees fit, and at least quarterly.

Within three months from the end of the financial year, the Executive Board must present the Supervisory Board with the parent company and consolidated financial statements, for verification and control, accompanied by a written report on the Company's position and activity thereof during the course of the financial year.

The Supervisory Board presents the Shareholders' Annual Ordinary General Meeting with its comments on the Executive Board's report, as well as the financial statements for the year.

The Chairman of the Supervisory Board gives an account, in a report to the General Meeting attached to the aforementioned report, of the conditions of preparation and organisation of the Board's work as well as the internal control procedures implemented by the Company.

The Supervisory Board may confer one or more of its members with special mandates for one or more specific purpose(s). It may decide to create committees to examine issues submitted by itself or its Chairman for review.

2. The Executive Board shall submit the allocation proposals for the profits of the past financial year and the Company's and group's draft annual budget to the Supervisory Board.

3. The following Executive Board decisions shall be subject to the Supervisory Board's prior approval:

- significant transactions which may impact Company and Group strategy, changing their financial positions and scope of operations;
- investments and commitments (including equity investments) with a total investment exceeding €20 million, insofar as these investments have not been budgeted;
- divestments (including disposal of equity investments) and/or dilutions of a total amount or having an impact on the balance sheet exceeding €20 million, insofar as these divestments have not been budgeted;
- the issuing of securities of whatever kind, liable to result in changes in the share capital.

Article 25 – Regulated agreements

1. Any agreement, with the exception of those relating to current operations concluded under normal conditions, between the Company and a member of the Executive Board or Supervisory Board, either directly or indirectly, or through an intermediary, one of its shareholders with a fraction of voting rights greater than 10% or, if it is a corporate shareholder, the company controlling it under the terms of Article L 233-3 of the Commercial Code, must receive prior authorisation from the Supervisory Board.

The same rule applies to agreements in which one of the persons referred to in the previous paragraph has an indirect interest. The same rule applies to agreements between the Company and another business, if one of the members of the Company's Executive Board or Supervisory Board is the owner, partner, manager, director, member of the Supervisory Board or, more generally, director of said business.

The member of the Executive Board or Supervisory Board concerned is bound to inform the Supervisory Board immediately upon becoming aware of the agreement subject to authorisation; if he/she sits on the Supervisory Board he/she may not participate in the vote on the requested authorisation.

These agreements are subject to the approval of the Shareholders' General Meeting under the conditions set out in the law.

2. The provisions of 25.1 above do not apply to cases provided for by Law.

Article 26 – Statutory Auditors

The Ordinary General Meeting confers the duties laid down by law to one or more Statutory Auditor(s).

They are appointed for six financial years in accordance with the eligibility conditions prescribed by law.

If several Statutory Auditors are appointed, they may proceed with separate investigations, audits and controls, but they shall draw up a joint report.

The Auditor(s) has(have) the right to convene the General Meeting in cases determined by the law. They receive compensation paid for by the Company and established pursuant to the legal provisions in force.

The Statutory Auditor(s) is(are) not liable, either as regards the Company or third parties, for the consequences of errors or omissions caused by them in the course of their work.

Auditors may be re-appointed, in accordance with legal and regulatory conditions.

Article 27 - General Meetings – Notice of Meetings

Shareholders meet annually at the Ordinary General Meeting held within six months following the end of the financial year. Moreover, Ordinary, Extraordinary or Special Meetings may be convened at any time as provided for by law and in these Bylaws.

Shareholder Meetings are held at the Registered Office or any other place stipulated in the notice of meeting.

General Meetings are convened by the Executive Board and, failing this, by the Supervisory Board or the Statutory Auditors or by a representative designated by a court of law, or by the liquidators, under the conditions laid down by the law and applicable regulations.

Shareholders' meetings are announced by a preliminary notice which is published in the Bulletin des Annonces Légales Obligatoires (BALO) at least 35 days prior to the meeting date, pursuant to regulations in force, other than where an exception to this rule is allowed by such regulations (notably during a public takeover bid).

The final notice of shareholders' meetings is issued at least fifteen days prior to the date set for the meeting, other than where an exception to this rule is allowed by regulations in force.

This time period is reduced to ten days for meetings on second call, other than where an exception to this rule is allowed by regulations in force.

The notices are sent by postal carrier or by electronic mail to all holders of registered shares and published in a legal gazette serving the location in which the registered office is located and in the BALO.

The notices must include the information required by applicable legislation and regulations, and more specifically the location, date and time of the meeting, as well as the nature of the meeting and its agenda.

These notices must also specify the conditions under which a shareholder may vote remotely, and must specify the location where postal voting forms may be obtained and the necessary documents to be attached.

Shareholders may submit their questions in writing up to four working days prior to the General Meeting.

Article 28 - Agenda

The party convening the meeting draws up the Meeting's agenda. However one or more shareholders who satisfy the conditions laid down by legislation in force have the right to request the inclusion of points or draft resolutions on the agenda.

The request for inclusion of points or draft resolutions on the agenda are to be sent to the registered office within the time limits prescribed by applicable regulations.

The Meeting may not discuss questions that are not on the agenda. Nevertheless it may, under any circumstances, remove one or several members of the Supervisory Board and replace them.

The agenda may not be amended in the second notice of meeting.

Article 29 - Admittance to Meetings

All of the Company's shareholders whose shares are fully paid up may participate in General Meetings. All shareholders may be represented by a natural person or legal entity of their choice, in accordance with the terms and conditions provided by applicable regulations.

The right to attend General Meetings is subject to registration of the shares in the name of the shareholder or the intermediary registered on his/her behalf, on the second working day preceding the meeting (00.00 hours Paris time), either in the nominative accounts held by the Company, or in the accounts of bearer shares held by an authorised intermediary.

Legal representatives of shareholders deemed legally incapable and individuals representing legal-entity shareholders may participate in the General Meetings, irrespective of whether or not they themselves are shareholders.

Proxy and postal voting forms are prepared and addressed in accordance with legislation in force.

The shareholders may forward their proxy and postal voting forms related to any General Meeting in paper format or via email, in accordance with legal and regulatory terms and conditions.

At the time a General Meeting is convened, the shareholders may also, if it is permitted by the Executive Board or failing that, the Supervisory Board, participate in this General Meeting by video conference or electronic telecommunication or broadcasting means, subject to the qualifications and terms and conditions set out by applicable laws and regulations.

The proxy form informs the shareholder that if he/she returns it to the Company, or to one of the individuals authorised by the latter to collect proxy forms without any indication of the proxy holder, a favourable vote will be issued in his/her name for the adoption of draft resolutions presented or approved by the Executive Board, and an unfavourable vote for the adoption of all other draft resolutions. To cast his/her vote differently the shareholder must choose a proxy holder who agrees to vote as instructed by him/her.

The postal voting form informs the shareholder in a very visible manner that any abstention expressed on the form or resulting from a lack of voting indication will be considered as a vote opposed to the adoption of the resolution.

The owners of the securities referred to in Article L 228-1 of the Commercial Code may be represented at general meetings by an intermediary registered on behalf of such owners in accordance with the provisions of the foregoing Article.

The intermediary who has fulfilled the obligations specified in Article L. 228-1 may, pursuant to a general securities management mandate, transmit its voting rights or power of attorney as an owner of shares for a General Meeting, as defined in the same Article.

Before transmitting a proxy or voting rights to the General Meeting, the intermediary registered pursuant to Article L 228-1 is required, at the request of the Company or its representative, to provide the list of non-resident shareholders who hold the shares to which voting rights are attached as well as the number of shares held by each of them. This list is provided under the terms of Articles L 228-2 or L 228-3 as applicable. The vote or proxy issued by an intermediary who, either did not declare him/herself as such pursuant to Article L 228-1, or has not disclosed the identity of the shares' owners in accordance with Articles L 228-2 or L 228-3, shall not be counted.

Article 30 - General Meeting Committee

Meetings are chaired by the Chairman of the Supervisory Board or, in his/her absence, by the Vice-Chairman or by a member of the Supervisory Board specially delegated by the Supervisory Board for this purpose.

In the event of a notice of meeting by the auditors, a legal representative or liquidators, the individual or one of the individuals who convened it chairs the Meeting.

Two members of the Meeting with the highest number of votes, and who accept such duties, act as tellers.

The Chairman and tellers appoint a Secretary who need not be a shareholder.

The Chairman assisted by other committee members will direct discussions. He/she has powers of enforcement at the General Meeting.

Article 31 - Attendance sheet

An attendance sheet recording the legally required information is drawn up during each shareholder meeting.

On condition of appending to this sheet the proxy and postal voting forms bearing the first and last names and addresses of each principal or shareholder who voted by post, as well as the number of shares and the votes attached to these shares, the committee may waive any indications concerning represented shareholders or those who voted by post.

Duly signed by the shareholders and proxies present, the attendance sheet is certified by the General Meeting committee.

Article 32 - Minutes

Meeting decisions are recorded in minutes drafted in a special register, numbered and initialled, and kept at the Registered Office.

The minutes indicate the date and venue of the meeting, the means of convening it, the agenda, committee membership, the number of shares participating in the vote and the quorum, the documents and reports submitted to the Meeting, a summary of discussions, the resolutions, and voting results.

The minutes are signed by the members of the committee.

If, due to the absence of quorum, the Meeting was unable to deliberate, the members of the committee shall record this in the minutes.

The Chairman or Vice-Chairman of the Supervisory Board or a member of the Executive Board or the Meeting Secretary validly certifies copies or extracts of these minutes requested for legal or other purposes.

In the event of liquidation of the Company a single liquidator shall validly certify them.

Article 33 - Shareholders' information and communication rights

Shareholders exercise their right to information, communication and copies in accordance with legal and regulatory provisions.

For this purpose, all documents giving rise to communication or copy will be made available to shareholders at the Registered Office, at least fifteen days before the date of the Meeting.

Article 34 - Quorum - Majority

The Meetings deliberate pursuant to the conditions of quorum and majority in accordance with applicable regulations.

Article 35 – Voting rights

Subject to the provisions below, the voting rights conferred on shares are proportional to the share capital they represent, and each share carries the right to one vote. Fully paid-up shares for which proof is provided of a nominative registration in the same name for at least two years do not benefit from double voting rights.

Article 36 - Jurisdiction

The Extraordinary General Meeting alone has the authority to amend any and all of the provisions of the Bylaws. It may not, however, increase the commitments of shareholders, without prejudice to transactions resulting from a properly executed share consolidation.

The Ordinary General Meeting deliberates and makes all decisions that fall outside the jurisdiction of Extraordinary General Meetings.

Article 37 - Scope of decisions of the General Meeting

The General Meeting duly constituted represents all shareholders.

Decisions made in compliance with the law and these Bylaws bind all shareholders, including those who are absent, incapacitated or dissenting.

However, a General Meeting decision requiring an amendment of rights attached to a specific category of shares shall only be final after its endorsement by a Special General Meeting of the shareholders of the relevant category.

Article 38 – Financial year

The financial year starts on 1 January and ends on 31 December of each year.

Article 39 - Annual financial statements

At the end of each financial year the Executive Board draws up an inventory of the various assets and liabilities existing at that time, as well as the annual financial statements, which include as an indivisible whole the balance sheet and income statement, and related notes, and the consolidated financial statements.

It also draws up a written management report on the Company's position and the activity thereof over the course of the financial year.

The annual financial statements and management report as well as the consolidated financial statements are made available to the Auditor(s) at the Registered Office at least one month before notice is given of the General Meeting held to approve the parent company and consolidated financial statements.

All these documents are prepared each year in accordance with the same format and using the same valuation methods. In the event of proposed amendments, the General Meeting, in view of the documents prepared in accordance with both old and new formats and methods, and of the management report and the Auditor(s)' report, will decide on these amendments.

Article 40 - Allocation of profits

5% of the profit of the year, as reduced by any prior year losses, shall be allocated to the legal reserve. This deduction ceases to be obligatory once the legal reserve amounts to one tenth of the share capital.

The balance, less any transfers to other reserves as required by law, together with any profits carried forward, comprises the distributable profit.

As applicable, the following may be deducted from the distributable profit:

1. any amounts that the General Meeting, upon the recommendation of the Executive Board, decides to allocate to any special reserves, ordinary or extraordinary, or to carry forward.

2. any amounts necessary to give shareholders, by way of first dividend, 5% of the amount paid and not written down on their shares without entitling them to a claim on future profits, if there is an insufficient profit in a year to effect the payments.

The balance of distributable profit, after the above deductions, shall be split equally among all shares by way of an additional dividend.

If the General Meeting decides to distribute amounts from the reserves that are available, the decision shall expressly indicate which reserves are to be used.

Article 41 - Dividends - Payment

Dividends are payable on dates set by the General Meeting or, failing that, by the Executive Board, no later than nine months following the end of the financial year except where this period is extended by order of the President of the Commercial Court. Payment is validly made to registered shareholders, by bank transfer to the shareholders' account.

The General Meeting called to approve the annual financial statements may grant shareholders, for all or part of the dividend or interim dividend distributed, an option of payment in cash or in shares in accordance with the manner prescribed by the law.

Article 42 - Expiry of the term

At least one year before the expiry of the Company's term, the Executive Board convenes the Shareholders' Extraordinary General Meeting in order to decide whether or not to extend the term of the Company.

Article 43 - Premature dissolution

The Extraordinary General Meeting may, at any time and based on a proposal by the Executive Board or Supervisory Board, decide on a premature dissolution of the Company.

Should the losses recorded in the financial documents cause the equity of the Company to fall below half the share capital, the Executive Board shall, within four months following approval of the financial statements showing said losses, convene the Extraordinary General Meeting in order to decide whether to dissolve the Company prematurely.

If the Company is not dissolved, the capital must be reduced by an amount equal to the loss observed at the latest by the end of the second financial year following that in which the losses affecting the capital occurred.

Subject to the provisions of Article L 224-2 of the Commercial Code, there are no grounds to dissolve or reduce the capital if, within the period specified above, the equity can be restored to an amount greater than half the share capital.

In both cases the resolution adopted by the General Meeting is published in accordance with statutory regulations.

In the absence of a session of the General Meeting, for example if this Meeting fails to validly deliberate when last convened, any party concerned may file a lawsuit at the Commercial Court to dissolve the Company. The same applies if the provisions of paragraph 3 above have not been applied. In all instances, the Court may grant the Company a maximum period of six months in which to rectify the situation; if the situation has been rectified before judgement is issued it cannot dissolve the Company.

The Commercial Court may, at the request of any party concerned, declare the dissolution of the Company if the number of shareholders is reduced to less than seven for more than one year. It may grant the Company a maximum period of six months in which to rectify the situation. It may not declare the dissolution if the situation has been rectified on the day when it issues judgement on the substance.

The Commercial Court may also, at the request of any interested party, declare the dissolution of the Company if the share capital has been reduced to an amount less than the statutory minimum. It may not declare the dissolution if the situation has been rectified on the day when it issues judgement on the substance.

Article 44 - Liquidation

On expiry of the Company or in the event of premature dissolution, the General Meeting or, if necessary the Commercial Court, decides on the liquidation procedure, and appoints for a period not exceeding three years, one or more liquidators whose powers and compensation it determines.

In particular, the liquidators will possess the fullest powers necessary to execute, even by amicable agreement, any assets of the Company and discharge its liabilities. They may convene an Extraordinary General Meeting in order to contribute to or authorise the disposal of all assets, rights and obligations.

The appointment of liquidators terminates the powers of members of the Supervisory Board and Executive Board.

The net proceeds from liquidation, after payment of all liabilities, shall be used to fully reimburse the paid and unamortised amount of the shares; the surplus is shared in cash or in shares between shareholders.

During the liquidation, the duties of the Statutory Auditor(s) and the powers of the General Meeting continue as during the Company's operation.

The shareholders are convened at the end of the liquidation to rule on the final accounts, give discharge to the liquidator(s) for their management and relieve them of their duties, and to record the completion of liquidation deliberations.

Article 45 - Disputes

Any dispute that may arise during the Company's lifetime or its liquidation, whether between the shareholders and the Company, or between shareholders themselves, on the subject of corporate affairs, shall be subject to the jurisdiction of competent courts.

For this purpose, in the event of disputes each shareholder must elect domicile within the jurisdiction of the Registered Office, and any summons or notice shall be validly served to said address.

In the absence of such an address, the summons or notices are validly served at the Office of Public Prosecution of the French Republic at the High Court with jurisdiction over the Registered Office.

Article 46 - Publications

The formalities of publication of acts and deliberations modifying the Bylaws will be carried out pursuant to regulations in force.

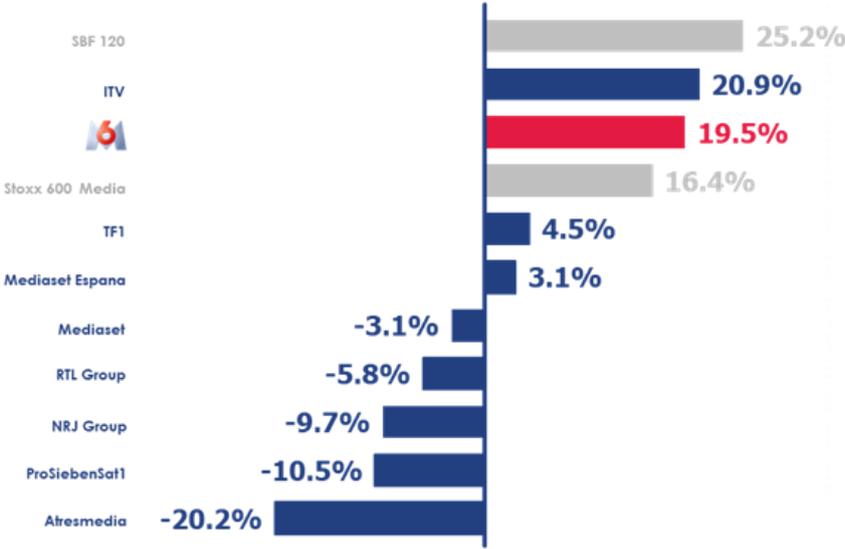
To make statutory filings and publications, all powers are given to the bearer of a copy or certified copy of deeds or documents.

3.2 SHARE LISTING

M6 share presentation	
Regulated market	Eurolist Compartment A (companies whose average market capitalisation exceeds €1 billion)
Indices	CAC Mid 60, SBF 120, CAC Mid & Small, CAC All-Tradable, CAC All-Share, CAC Media, CAC Consumer Service Eligible for SRD (deferred settlement service)
ISIN Code	FR0000053225
Ticker	MMT
Opening price of the M6 share on 2 January 2019	€14.10
Closing price of the M6 share on 31 December 2019	€16.78
Lowest closing price in 2019	€13.07 on 17 January
Highest closing price in 2019	€18.15 on 2 May
2019 annual performance of the M6 share	+ 19.5% ⁽¹⁾
2019 annual performance of the SBF 120 index	+ 25.2% ⁽¹⁾
2019 annual performance of the Stoxx Europe 600 Media ⁽²⁾	+ 16.4% ⁽¹⁾
M6 market capitalisation at 31 December 2019	€2,121.2 million
Average daily trading volumes on Euronext - M6 share	90 555 shares in 2019 (compared with 117,583 in 2018)

(1) Movement based on the last prices quoted in 2018 and 2019 (2) Benchmark index for European media industry securities

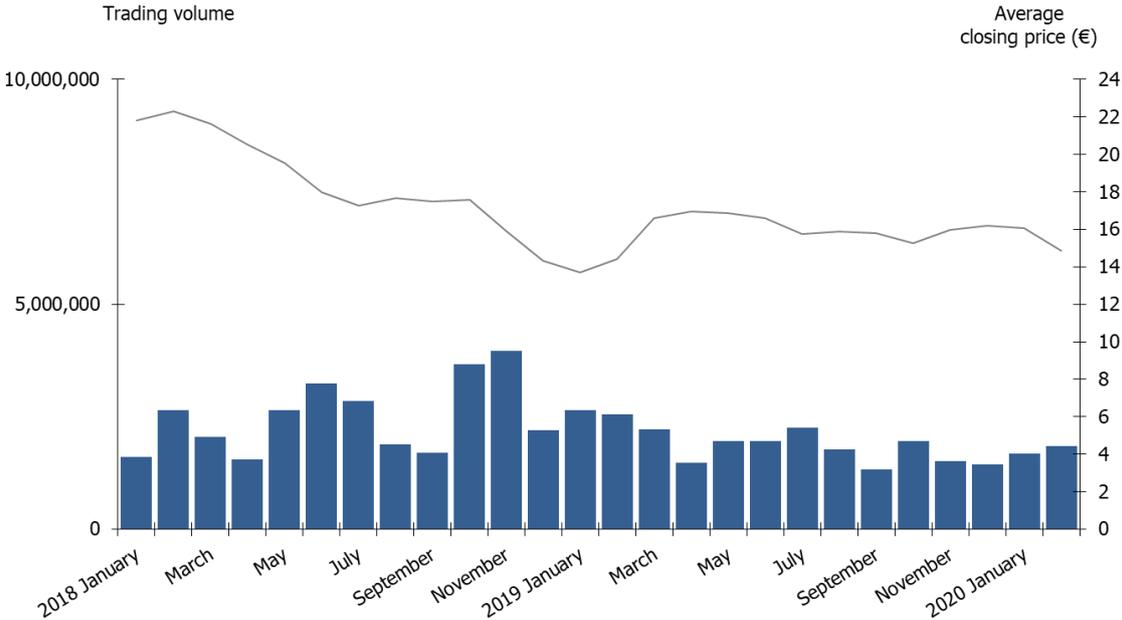
Compared stock market performance of the M6 share, shares of its European peers and the SBF 120 and Stoxx 600 Media indices between 1 January and 31 December 2019:



2019 was marked by the recovery of the financial markets, in the wake of the accommodating policies of the leading central banks, and notably the first reductions in base rates by the US Federal Reserve since 2008. The trend also benefited from the prospect of a trade agreement between the United States and China.

Under these favourable market conditions, European broadcasters’ shares under-performed overall in relation to the benchmark indexes. They continued to suffer from the doubts of certain investors regarding the ability of traditional broadcasters to cope with changes in video consumption patterns. The M6 share nevertheless held up well, recording sharp growth of 19.5% over the year as a whole. This healthy performance was the result of the resilience of the French TV advertising market and the positive reception for the Group’s strategic refocusing on its core business.

Share price and trading volume on Euronext since January 2018:



Sources: Euronext

Date	Trading volume	Average closing price (€)	Monthly high (€)	Monthly low (€)	Trading value (€ millions)
2018 January	1,607,880	21.79	22.64	21.42	35.23
February	2,636,327	22.31	23.86	20.94	59.28
March	2,050,451	21.65	23.00	20.54	44.44
April	1,554,335	20.54	20.96	20.12	31.91
May	2,639,169	19.55	20.74	17.98	50.98
June	3,241,999	17.99	18.48	17.13	57.86
July	2,850,087	17.26	18.45	16.74	49.50
August	1,883,011	17.65	18.34	17.03	33.33
September	1,696,998	17.50	18.00	16.76	29.64
October	3,659,520	17.60	18.37	16.71	64.87
November	3,967,920	15.88	17.43	15.00	63.70
December	2,196,053	14.31	15.54	13.58	31.65
2019 January	2,648,736	13.70	14.15	13.07	36.12
February	2,548,968	14.40	16.11	13.27	37.31
March	2,226,293	16.59	17.18	16.11	37.01
April	1,479,319	16.97	17.70	16.28	25.06
May	1,965,927	16.87	18.15	15.84	33.32
June	1,957,202	16.58	17.12	16.15	32.57
July	2,258,984	15.73	17.02	15.02	35.78
August	1,772,415	15.88	16.56	15.35	28.10
September	1,318,499	15.80	16.28	15.03	20.78
October	1,957,272	15.28	15.77	14.89	29.88
November	1,512,127	15.99	16.42	15.56	24.20
December	1,439,260	16.18	17.05	14.96	23.10
2020 January	1,676,576	16.06	16.97	15.02	26.71
February	1,839,147	14.84	15.80	13.31	27.09

Sources: Euronext

3.3 DIVIDEND POLICY

The Groups does not pursue any set dividend policy in principle and communicated to the financial markets. The Group is nevertheless committed, in accordance with Article 40 of its Bylaws, to maintaining a long-term payout ratio of at least 80%. The average rate over the last five years thus stood at 80%.

Cash dividends paid over the last 5 financial years were as follows:

	2018	2017	2016	2015	2014
Ordinary dividends	€1.00	€0.95	€0.85	€0.85	€0.85
Extraordinary dividends	- €	- €	- €	- €	- €
Total dividend per share	€1.00	€0.95	€0.85	€0.85	€0.85
Yield *	7.1%	4.4%	4.8%	5.4%	5.5%
Pay-out ratio **	72.4%	75.8%	70.4%	93.4%	86.9%

* Calculated based on the closing price of the year and the total dividend per share ** Calculated based on the Group's share of net profit from continuing operations and the total dividend per share

In light of its financial and cash flow generation position and net profit, M6 Group proposed to the Annual General Meeting of 25 April 2019 the payment of an ordinary dividend of €1.00 per share for the 2018 financial year, corresponding to a pay-out ratio of 72.4% of the Group's share of net profit from continuing operations. and a yield of 7.1% (calculated based on the year-end closing price).

It will be proposed to the Annual General Meeting of 28 April 2020 to approve the payment of a dividend of €1.00 per share for the 2019 financial year, corresponding to a pay-out ratio of 72.6% of the Group's share of net profit from continuing operations. and a yield of 6.0% (calculated based on the 2015 closing price).

3.4 INFORMATION POLICY AND DOCUMENTS AVAILABLE TO THE GENERAL PUBLIC

In order to establish and maintain frequent communication with shareholders and the overall financial community, a large number of meetings, in addition to the Annual General Meeting of 25 April were organised in 2019, including:

- a meeting to present the annual results;
- a conference call on the occasion of the publication of the half-year results.

In addition, the Group organised frequent meetings with the financial community in France and abroad during road shows and investor conferences. Lastly, numerous individual meetings with analysts, investors and managers took place in 2019.

The Group website dedicated to investors and shareholders is regularly updated in French and in English with our registration documents, universal registration document, latest publications, presentations, press releases, Bylaws, etc., and is accessible on www.groupem6.fr.

Shareholders may also contact the Company using the dedicated e-mail address: actionnaires@m6.fr.

In compliance with the Directive 2004/109/EC of the European Parliament and Council of 15 December 2004 (Transparency Directive), the website also features a section dedicated to regulatory information, which comprises all required publications. M6 Group calls on a professional publisher to ensure its effective and comprehensive publication. A notice of General Meeting is sent to all holders of registered shares on request.

The Group is also committed to developing balanced and transparent relationships with its shareholders. Measures taken to achieve this are described in section 6.1.7 of this document.

3.5 MAIN SHAREHOLDERS AT 31 DECEMBER 2019

	at 31 December 2019				
	Number of shares *	% share capital and theoretical voting rights	% voting rights **	Number of voting rights at General Meetings	% of voting rights at General Meetings
RTL Group	61,007,661	48.26%	48.53%	61,007,661	48.53%
Treasury shares	696,104	0.55%	-	-	-
Employee shareholding ***	1,228,370	0.97%	0.98%	1,228,370	0.98%
Groupe Compagnie Nationale à Portefeuille	8,250,729	6.53%	6.56%	8,250,729	6.56%
Free float	55,231,384	43.69%	43.93%	55,231,384	43.93%
<i>in France</i>	<i>16,509,614</i>	<i>13.06%</i>	<i>13.13%</i>	<i>16,509,614</i>	<i>13.13%</i>
<i>in other countries (depository)</i>	<i>38,721,770</i>	<i>30.63%</i>	<i>30.80%</i>	<i>38,721,770</i>	<i>30.80%</i>
TOTAL	126,414,248	100.0%	100.0%	125,718,144	100.00%

* The number of theoretical voting rights, which is the basis used for calculating threshold crossings, is identical to the number of shares

** Percentage of voting rights relative to the number of theoretical voting rights

*** For 2019, the shareholding stated is calculated in accordance with the provisions of Article L. 225-102 of the French Commercial Code and includes the percentage of share capital held by employees as part of an employee savings plan or company investment fund, as well as the performance shares allocated based on an authorisation subsequent to August 2015, which have been vested and were held as registered shares by employees at 31/12/2019. For 31 December and 1 January 2018 the shareholding stated only includes the percentage of share capital held by employees as part of an employee savings plan or a company investment fund.

At 31 December 2018					At 1 January 2018				
Number of shares *	% share capital and theoretical voting rights	% voting rights **	Number of voting rights at General Meetings	% of voting rights at General Meetings	Number of shares *	% share capital and theoretical voting rights	% voting rights **	Number of voting rights at General Meetings	% of voting rights at General Meetings
61,007,361	48.26%	48.53%	61,007,361	48.53%	61,007,461	48.26%	48.42%	61,007,461	48.42%
691,625	0.55%	-	-	-	419,659	0.33%	-	-	-
367,070	0.29%	0.29%	367,070	0.29%	315,220	0.25%	0.25%	315,220	0.25%
8,854,477	7.00%	7.04%	8,854,477	7.04%	9,154,477	7.24%	7.27%	9,154,477	7.27%
55,493,715	43.90%	44.14%	55,493,715	44.14%	55,517,431	43.92%	44.06%	55,517,431	44.06%
17,649,354	13.96%	14.04%	17,649,354	14.04%	16,068,844	12.71%	12.75%	16,068,844	12.75%
37,844,361	29.94%	30.10%	37,844,361	30.10%	39,448,587	31.21%	31.31%	39,448,587	31.31%
126,414,248	100.0%	100.00%	125,722,623	100.00%	126,414,248	100.0%	100.00%	125,994,589	100.00%

At the end of 2019, 12,581 shareholders held shares in the Company, according to a Euroclear bearer share survey and the register of shares held in nominative form, including:

- RTL Group, the Group's key shareholder, was 75.1% owned by the German group Bertelsmann at 31 December 2019;
- Compagnie Nationale à Portefeuille Group (via Swilux).

Institutional shareholders include:

- Silchester International Investors LLP, which crossed the threshold of 7% upward in 2018.
- Caisse des Dépôts et Consignation (CDC), which crossed the threshold of 3% upward in January 2020.
- At the date of preparation of this document, after taking account of declarations of upward and downward legal threshold crossing (1% of the Company's share capital) disclosed to the Company during 2020, 2019 and preceding years, and excluding the aforementioned investors:

- two institutional shareholders held 2% or more of the Company's share capital;
- four institutional shareholders held between 1% and 2% of the Company's share capital.

No legal threshold crossing (5%) was brought to the attention of the Company in 2019.

The Company is not aware of any other investor from the "free float" category, whether institutional or from the general public, that directly or indirectly owned more than 5% of the Company's share capital or voting rights acting individually or in concert with other investors at 31 December 2019.

The Company is not aware of any shareholder agreement currently in existence. No concerted action has been brought to the Company's attention.

By virtue of its corporate purpose and status as an operator of a digital and analogue television broadcasting licence, the Company is governed by a specific legal and regulatory regime, which applies in addition to the ordinary provisions, as specified in section 1.6.1 of this document. The regime particularly specifies that:

- this legal framework applies in particular to provisions in terms of shareholders and shareholdings (Article 39 of Law no. 86-1067 of 30 September 1986 as amended);
- the Conseil Supérieur de l'Audiovisuel (CSA) ensures that conditions and data that motivated the granting of the broadcasting licence are complied with. The breakdown of the share capital and governing bodies of licence holders is such data pursuant to Article 42-3 of the Law of 30 September 1986 in whose light the licence was granted. Article 42-3 of the Law of 30 September 1986 does not block any change in the capital of a business as considered by the Conseil d'Etat. Where changes that occur do not call into question the initial decision of the CSA, they are permitted without the channel having to give up its licence. This licence states that the company must inform the CSA of any substantial change in the amount or distribution of the share capital and voting rights as well as the crossing of thresholds, and that no change liable to result in a change of controlling shareholder may occur without the prior consent of the CSA;
- At least one third of Supervisory Board members must be independent. A member of the Supervisory Board is deemed independent when he/she has no relationship of any kind with the Company, its Group or its management likely to compromise the exercise of his/her free judgement.

3.6 BUYBACK BY THE COMPANY OF ITS OWN SHARES AND TREASURY SHARES

3.6.1 Acquisition by Métropole Télévision of its own shares: current delegations, authorisations and their use

	Maximum nominal amount	Term of authorisation	Remaining term ⁽¹⁾	Annual General Meeting	Resolution number
Share buyback programme	10% of share capital	18 months	6 months	AGM 25/04/2019	18
Capital reduction	10% of share capital	24 months	12 months	AGM 25/04/2019	19
Allocation of performance shares to members of staff and/or certain corporate officers	2,300,000 shares incl. 345,000 to the Executive Board	38 months	26 months	AGM 25/04/2019	20

⁽¹⁾ With effect from the AGM of 28 April 2020

The Annual General Meeting called for 28 April 2020 will decide on draft resolutions proposing a new share buyback programme for a further period of 18 months and authorising the Executive Board to reduce the share capital by cancellation of the shares bought back by the Company for a further period of 24 months.

3.6.2 Report on the 2019 share buyback plan

During the year just ended, the Company used the authorisations to purchase treasury shares that were granted to it by the General Meetings of 19 April 2018 and 25 April 2019. These authorisations were mainly used as part of a liquidity contract complying with the AMAFI ethics charter of 20 September 2008, approved by the AMF on 1 October 2008, with implementation by the investment service provider Natixis Oddo BHF since 2 July 2018. At that date, the following resources had been allocated to the liquidity agreement: 85,706 Métropole Télévision shares and €1,332,222.09 were allocated to the contract.

Movement in treasury shares held during the 2019 financial year and number of treasury shares held at 31 December 2019:

Number of treasury shares held at 31 December 2018	Movement in liquidity contract	Shares bought back with a view to cancel	Shares cancelled	Shares bought back to allocate performance shares	Transfers due to allocation of performance shares	Number of treasury shares held at 31 December 2019
	(2)	(3)	(3)	(4)	(5)	(1)
691,675	-7,971	-	-	300,000	-287,600	696,104

(1) At the 2019 year-end, the Company held 696,104 treasury shares, primarily through the liquidity contract and also to fulfil commitments given within the framework of performance share allocation plans (see paragraph 3.7.2).

(2) In respect of the liquidity contract during 2019:

- the number of shares purchased was 612,395 at an average price of €15.79;
- and the number of shares sold was 620,366 at an average price of €15.82;
- resulting in 113,000 shares and €1,054,501.35 being held as part of the liquidity contract on 31 December 2019.

Note that at 31 December 2018, the number of shares effectively held under the liquidity contract was 120,971 and the cash balance was €911,493.71.

The decrease in the number of treasury shares held in respect of the liquidity contract was therefore 7,971 in 2019.

(3) In respect of the share buyback for cancellation programme, no Métropole Télévision shares were cancelled in 2019.

(4) In respect of the performance share allocation plan, 300,000 shares were purchased during the 2019 financial year. These shares were purchased via the intermediary CA-CIB at an average price of €17.8703 per share and delivered on 25 July 2019.

(5) Lastly, 287,600 shares were transferred to the beneficiaries of the performance share allocation plan in 2019.

Book value and market value of treasury shares held at 31 December 2019:

Number of treasury shares held at 31 December 2019	Net book value of treasury shares held at 31 December 2019	Market value of treasury shares held at 31 December 2019	Number of shares comprising the share capital at 31 December 2019	% share capital
696,104	€12,233,831	€11,680,625	126,414,248	0.55%

No treasury shares are held by any Métropole Télévision subsidiaries.

3.6.3 Report on the previous share buyback plan

The Combined General Meeting of 25 April 2019 decided in its 18th resolution to authorise the Company to implement a share buyback plan. A description of this share buyback plan is included in the Universal Registration Document filed with the AMF under n° D.18-0118 on 6 March 2019.

This share buyback plan, authorised for a period of eighteen months, enables the Executive Board to purchase up to a maximum of 10% of the Company's share capital, in order to fulfil the following objectives:

To stimulate the secondary market or ensure the liquidity of the Métropole Télévision share, by way of an investment services provider within a liquidity contract that complies with the practice approved by regulations, it being specified that within this framework the number of shares considered for the calculation of the limit specified above corresponds to the number of shares purchased less the number of shares resold,

- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions,
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers,
- to allocate Company shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations,
- cancel shares, in accordance with the authorisation granted by the General Meeting of 25 April 2019 in its 19th resolution in extraordinary session.

The maximum purchase price was set at €30 per share. The maximum amount to be committed to this buyback programme is €379,242,744.00.

Change in the number of treasury shares held as part of the 25 April 2019 share buyback programme and number of treasury shares held at 29 February 2020:

Number of treasury shares held at 25 April 2019	Movement in liquidity contract	Shares bought back with a view to cancel	Shares cancelled	Shares bought back to allocate performance shares	Transfers due to allocation of performance shares	Number of treasury shares held at 29 February 2020
	(2)	(3)	(3)	(4)	(5)	(1)
656,081	58,522	-	-	300,000	-287,600	727,003

(1) At 29 February 2020, the company held 727,003 treasury shares through the liquidity contract and to cover commitments given as part of the performance share allocation plans.

(2) **In respect of the liquidity contract** between 26 April 2019 and 29 February 2020:

- the number of shares purchased was 571,278 at an average price of €15.88;
- and the number of shares sold was 512,756 at an average price of €15.99;
- and resulting in 143,899 shares and €588,135.02 being held as part of the liquidity contract on 29 February.

(3) **The share buyback for cancellation programme** was not used during the period. Consequently, no shares were bought back to be cancelled.

(4) **In respect of the performance share allocation plan**, 300,000 shares were purchased during the period. These shares were purchased via the intermediary CA-CIB at an average price of €17.8703 per share and delivered on 25 July 2019.

(5) Lastly, 287,600 shares were transferred to the beneficiaries of the performance share allocation plan in 2019.

At 29 February 2020, the Company held 727,003 of its own shares, representing 0.58% of the share capital, broken down as follows:

Book value and market value of treasury shares held at 29 February 2020:

Number of treasury shares held at 29 February 2020	Net book value of treasury shares held at 29 February 2020	Market value of treasury shares held at 29 February 2020	Number of shares comprising the share capital at 29 February 2020	% share capital
727,003	€12,695,384	€9,676,410	126,414,248	0.58%

3.6.4 Report on the current share buyback plan

A proposal will be submitted to the Combined General Meeting of 28 April 2020 to authorise a new share buyback plan according to the following conditions:

- shares involved: ordinary Métropole Télévision shares listed under Compartment A of Euronext Paris, ISIN code FR0000053225;
- maximum purchase price: €25 per share. The maximum amount of the transaction is thus set at €316,035,620;
- maximum buyback percentage permitted: 10% of the number of shares comprising the share capital, adjusted if necessary to take account of the potential share capital increase or reduction transactions that may occur over the term of the programme;
- maximum period: 18 months from the date of the General Meeting.

These shares may be purchased to fulfil the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with practices approved by regulations. Within this framework, the number of shares used to calculate the above-mentioned cap corresponds to the number of shares purchased, after deducting the number of shares sold back;
- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions;
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers;
- to allocate Company shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to cancel purchased shares, in accordance with the authorisation conferred or to be conferred by the Extraordinary General Meeting.

Shares may be bought back by any means, including through the acquisition of blocks of shares, and at the times the Executive Board will deem fit.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with applicable regulations.

3.6.5 Treasury shares

At 31 December 2019, M6 held a total 696,104 of its own shares, amounting to 0.55% of the share capital, which was classified on the consolidated balance sheet of Métropole Télévision as a reduction of equity at their acquisition cost of €12.0 million. The number of treasury shares includes the 113,000 shares actually held by the liquidity contract at 31 December 2019.

The table below summarises the allocation of treasury shares held at 31 December 2018 and 31 December 2019 according to each objective.

Treasury shares allocated to the different objectives at 31 December 2018		Total treasury shares at 31 December 2018
Allocation of performance shares	Increasing share liquidity within the framework of the liquidity contract	
570,704	120,971	691,675 shares
Changes over the 2019 financial year		Total changes over the financial year
Allocation of performance shares	Increasing share liquidity within the framework of the liquidity contract	
12,400	-7,971	4,429 shares
Treasury shares allocated to the different objectives at 31 December 2019		Total treasury shares at 31 December 2019
Allocation of performance shares	Increasing share liquidity within the framework of the liquidity contract	
583,104	113,000	696,104 shares

3.7 EMPLOYEE SHAREHOLDING

3.7.1 Share subscription option plans

There has been no allocation of stock options since 2009 and no plan or authorisation is ongoing.

3.7.2 Plans granting performance shares

The Group's long-term remuneration policy is intended to retain and motivate managers, and involve them in the Group's performance, in particular via the conditional allocations of performance shares.

The Executive Board approved the features of the plans (strict performance and continued employment conditions) as well as the identity of beneficiaries. In 2019, these plans covered 198 of the Group's managers and executives.

Since the introduction of performance share plans, allocated shares have been purchased on the market rather than newly issued. Allocations of performance shares have not therefore caused any dilution.

Seven performance share allocation plans were in force in 2019, pursuant to the authorisation given by the Combined General Meetings of 26 April 2016 and 25 April 2019:

The data in the table below details:

- for the plan dated 26 July 2017, the shares effectively delivered;
- for the other plans, the shares not yet allocated, taking account of the restatement owing to the company potentially outperforming targets and individuals having left the company to date.

Table 9 of AMF recommendation on senior executives' remuneration

Date of General Meeting	26/04/2016					25/04/2019		
	Date of Executive Board meeting							
	26/07/2017	26/07/2017	02/10/2017	24/07/2018	24/07/2018	30/07/2019	30/07/2019	
	Plan 1 – 2017	Plan 2 – 2017	Plan 3 – 2017	Plan 1 – 2018	Plan 2 – 2018	Plan 1 – 2019	Plan 2 – 2019	
Maximum number of shares that can be allocated	307,200	217,667	8,917	313,400	247,100	298,167	246,500	1,638,951
to corporate officers (1)	-	79,167	4,167	-	91,600	-	75,000	249,934
- Nicolas de Tavernost	-	30,000	-	-	28,000	-	25,000	83,000
- Thomas Valentin	-	20,000	-	-	18,600	-	17,000	55,600
- Jérôme Lefébure	-	15,000	-	-	14,000	-	17,000	46,000
- David Larramendy	-	14,167	-	-	15,500	-	16,000	45,667
- Christopher Baldelli	-	-	4,167	-	15,500	-	-	19,667
- to other top ten salaried employees	38,200	85,664	8,917	39,100	82,000	44,367	84,000	382,248
Date of final vesting	28/07/2019	31/03/2020	31/03/2020	26/07/2020	31/03/2021	31/07/2021	31/03/2022	
Date retention period ends	28/07/2019	31/03/2020	31/03/2020	26/07/2020	31/03/2021	31/07/2021	31/03/2022	
Number of shares delivered during the financial year	287,600	-	-	-	-	-	-	287,600
Allocated shares cancelled between 31/12/2019 and 29/02/2020 due to individuals leaving the Company	-	-	-	-	-	-	-	-
Number of shares not yet allocated at 31/12/2019, based on performance levels projected and achieved and taking account of individuals having left the Company to date	-	217,667	8,917	291,200	241,044	297,167	246,500	1,302,495

⁽¹⁾ Corporate officers at the allocation date

As regards employment conditions:

- The first plan dated 26 July 2017 imposed a continued employment requirement on staff at 27 July 2019,
- The second plan dated 26 July 2017 and the plan dated 2 October 2017 imposed a continued employment requirement on staff at the date of delivery of the shares, scheduled for 31 March 2020,
- The first plan dated 24 July 2018 imposed a continued employment requirement on staff at 25 July 2020,
- The second plan dated 24 July 2018 imposed a continued employment requirement on staff at 31 December 2020,
- The first plan dated 30 July 2019 imposed a continued employment requirement on staff at 31 July 2021,
- The second plan dated 30 July 2019 imposed a continued employment requirement on staff at 31 March 2021.

As regards performance conditions:

- the 1st plan of 26 July 2017, the 1st plan of 24 July 2018 and the 1st plan of 30 July 2019 require the achievement of a consolidated net profit objective for 2017 and 2018, and 2019, respectively,
- the second plan of 26 July 2017 and the plan of 2 October 2017 require the achievement of a value creation objective over the cumulative 2017, 2018 and 2019 period.
- the second plan of 24 July 2018 requires the achievement of a value creation objective over the cumulative 2018, 2019 and 2020 period.
- the second plan of 30 July 2019 requires the achievement of a value creation objective over the cumulative 2019, 2020 and 2021 period.

3.7.3 Métropole Télévision Group savings plan

Established in September 1994 as a Fonds commun de placement (collective investment scheme), the Group savings plan invests exclusively in Métropole Télévision shares. At 31 December 2019, the savings plan had 1,363 unit holders indirectly holding 405,970 shares. The fund thus represented 0.32% of the share capital.

3.7.4 Purchase of shares for allocation to employees under a profit sharing agreement

Articles L. 225-211 sub-paragraph 2 and L. 225-208 of the French Commercial Code
Nil.

3.8 SECURITIES TRANSACTIONS

During the financial year, the corporate officers and senior executives informed the Company of the following share capital transactions, carried out by themselves or related parties.

This table does not include transactions that are below the annual disclosure threshold of €20,000.

Name and position	Nature of transaction	Date	Number	Price per share	Total
Matthieu Bienvenu Member of the Executive Committee	Vesting of performance shares	29/07/2019	1,400	€0.00	€0.00
Béregère Terouanne Member of the Executive Committee	Vesting of performance shares	29/07/2019	1,800	€0.00	€0.00
Valery Gerfaud Member of the Executive Committee	Sales of shares	23/09/2019	16,465	€15.70	€258,500.50
Nicolas de Tavernost Chairman of the Executive Board	Sales of shares	12/09/2019	29,024	€16.21	€470,455.82
Nicolas de Tavernost Chairman of the Executive Board	Sales of shares	13/09/2019	30,976	€16.26	€503,623.30
Nicolas de Tavernost Chairman of the Executive Board	Sales of shares	14/09/2019	25,000	€16.19	€404,639.43

3.9 GENERAL INFORMATION ON THE SHARE CAPITAL

3.9.1 Bylaw provisions governing changes in the share capital and rights attached to shares

Any change to the share capital or rights conferred by securities that make it up must be made in accordance with the provisions of the Bylaws. Only an Extraordinary General Meeting may decide capital increases or delegate its authority to do so to the Executive Board, for a determined period and within a specific limit, based on a report by the Executive Board.

PAID-IN CAPITAL, NUMBER AND CLASSES OF SHARES

As was the case at 31 December 2018, the Company's fully paid-up share capital was €50,565,699.20 at 31 December 2019, represented by 126,414,248 shares of the same class with a par value of €0.40 each.

Date	Nature of transaction	Share capital increase/(reduction)	Number of shares issued/(cancelled)	Share capital after the transaction	Total number of shares comprising the share capital
15/09/1986	Formation	FF 10,000,000.00	100,000	FF 10,000,000.00	100,000
16/05/1987	Subscription	FF 190,000,000.00	1,900,000	FF 200,000,000.00	2,000,000
21/05/1990	Capital reduction	FF (198,000,000.00)	(1,980,000)	FF 2,000,000.00	20,000
21/06/1990	Share subscription	FF 200,000,000.00	2,000,000	FF 202,000,000.00	2,020,000
31/12/1993	Exercise of subscription options by employees*	FF 6,900,000.00	69,000	FF 208,900,000.00	2,089,000
06/09/1994	5 for 1 share split	-	-	FF 208,900,000.00	10,445,000
31/12/1995	Exercise of subscription options by employees*	FF 4,337,000.00	216,850	FF 213,237,000.00	10,661,850
31/12/1995	Conversion of bonds**	FF 50,387,700.00	2,519,385	FF 263,624,700.00	13,181,235
03/12/1999	Conversion of share capital into €	€12,535,613.57	-	€52,724,940.00	13,181,235
30/12/1999	Conversion of bonds	€30,536.00	7,634	€52,755,476.00	13,188,869
26/05/2000	10 for 1 share split	-	-	-	131,888,690
04/07/2007	Capital reduction	€(392,000.00)	(980,000)	€52,363,476.00	130,908,690
03/09/2007	Capital reduction	€(392,000.00)	(980,000)	€51,971,476.00	129,928,690
03/09/2007	Exercise of subscription options by employees	€2,400.00	6,000	€51,973,876.00	129,934,690
15/04/2008	Capital reduction	€(392,000.00)	(980,000)	€51,581,876.00	128,954,690
19/05/10 to 04/10/10	Exercise of subscription options by employees	€1,299.60	3,249	€51,583,175.60	128,957,939
04/03/2011 to 09/06/2011	Exercise of subscription options by employees	€1,413.20	3,533	€51,584,588.80	128,961,472
19/09/2011	Capital reduction	€(392,000.00)	(980,000)	€51,192,588.80	127,981,472
10/10/2011	Capital reduction	€(392,000.00)	(980,000)	€50,800,588.80	127,001,472
22/12/2011	Capital reduction	€(247,003.20)	(617,508)	€50,553,585.60	126,383,964
11/06/2012	Capital reduction	€(200,000.00)	(500,000)	€50,353,585.60	125,883,964
10/09/2013 to 24/12/2013	Exercise of subscription options by employees	€32,594.00	81,485	€50,386,179.60	125,965,449
07/01/2014 to 30/12/2014	Exercise of subscription options by employees	€118,795.20	296,988	€50,504,974.80	126,262,437
21/01/2015 to 04/05/2015	Exercise of subscription options by employees	€60,724.40	151,811	€50,565,699.20	126,414,248

* Par value subscription ** Issue premium of F 158,050,720

SHAREHOLDERS' AGREEMENT

To the best of the Company's knowledge, no shareholder agreement exists.

PLEDGES OF THE ISSUERS' SHARES

Nil.

ALIENATION OF SHARES IN ORDER TO REGULARISE CROSS SHAREHOLDINGS

(Article R.233-19 of the Commercial Code)

Nil.

OWNERSHIP OF OWN SHARES

(Article L.233-13 of the Commercial Code)

Controlled companies holding a portion of the capital of the Company: nil.

CAPITAL INCREASE RESERVED FOR EMPLOYEES

The General Meeting of 26 April 2017 approved a resolution authorising the Executive Board, if it deemed it appropriate and on its sole decision, to increase the share capital on one or more occasions by issuing ordinary shares or marketable securities granting access to the Company's capital for the benefit of the participants in one or more company or group savings plans established by the Company and/or affiliated French or foreign companies under the terms of Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code. The period of validity of this delegation has been set at 26 months. The Executive Board did not use this resolution during the year.

3.9.2 Potential share capital

At 31 December 2019, there were no unexercised option plans. The potential dilution induced by the exercise of share subscription options is therefore nil.

In addition, non-issued authorised share capital and existing delegations (Article L. 225-100, sub-paragraph 7 of the Commercial Code) were as follows:

	Maximum nominal amount of capital increases	Maximum nominal amount of debt securities	Term of authorisation	Remaining term ⁽¹⁾	Annual General Meeting	Resolution number
Share capital increase reserved for members of a company savings plan (authorisation given to the Executive Board)	1.5% of share capital	-	26 months	0	AGM 26/04/17	16

⁽¹⁾ The remaining term runs from the AGM called for 28 April 2020

3.9.3 Form of shares and rights attached to shares

RIGHTS ATTACHED TO SHARES

All shares are part of the same class and hold equal rights to the Company's profits and assets on liquidation. Each share confers the right to a single vote at shareholders' meetings. There are no double voting rights. The right to distributed dividends and interim dividends lapses after 5 years for the benefit of the French state.

TRADING IN SHARES

Shares are freely traded on Euronext Paris.

FORM OF SHARES

Since the IPO, shares are held at the option of the holder:

- in pure registered form held in account maintained by CACEIS;
- in administered registered form;
- in identifiable bearer form held in account by an authorised intermediary.

Shares are approved for Euroclear France transactions.

IDENTIFICATION OF SHAREHOLDERS

The Company is authorised to apply legal provisions to identify holders of shares giving immediate or eventual voting rights at its General Meetings.

WITHHOLDING TAX ON DIVIDENDS

Since 1 January 2018, dividends collected by a natural person who is a French resident for tax purposes are automatically subject to a single fixed deduction (PFU) at the overall rate of 30% (12.8% for income tax and 17.2% for social contributions on investment income) applied to the gross amount of dividends collected.

However, taxpayers can opt for taxation of these dividends using the progressive scale for income tax, in particular after application of a 40% rebate. This annual, express and irrevocable option is universal (it applies to all income that may automatically benefit from PFU received for the year in question) and must be applied when filing the income tax return. If the progressive scale option is applied, it is theoretically possible for a taxpayer to deduct a portion of the CSG tax applied to dividends (up to 6.8%) from their total income.

Regardless of the application of PFU or of the progressive scale option for income tax, the fixed deduction, not acting as a discharge of income tax and levied by the paying establishment, is also maintained and now amounts to 12.8% of the gross amount of dividends. This deduction not acting as a discharge is deemed to be a prepayment deductible from the income tax due for the year during which the deduction was applied. If it exceeds the income tax liability, the overpayment is refunded.

This contribution does not apply to legal entities or non-resident shareholders, who remain taxed according to the specific conditions applicable to their specific situation. Likewise, theoretically this levy is not intended to apply in certain specific cases (e.g., subject to certain conditions, if shares are owned in a PEA - French equity savings plan).

Lastly, shareholders are exempt from contributions if they so request, provided they belong to a household (for tax purposes) whose average benchmark tax for the second last year was less than €50,000 for single, divorced or widowed taxpayers or €75,000 for jointly-assessed taxpayers. It is advised that shareholders contact the institution that holds their share account or their advisor, in order to discuss options and procedures regarding exemption from contribution, given that the exemption must, in principle, be requested before 30 November of the year preceding that in which the dividend was paid.

Lastly, the paying establishment will also levy a deduction at source for social contributions at the overall rate of 17.2%.

The dividend must be duly declared on the income tax return filed by taxpayers for the year of collection.



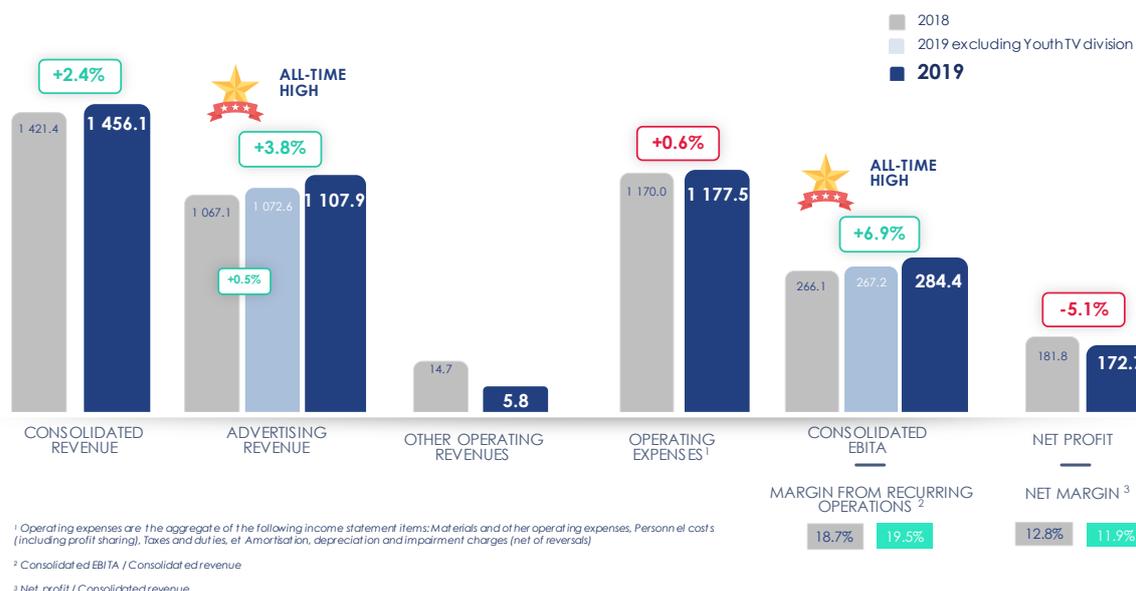
LE SON POP-ROCK

4

2019 FINANCIAL REPORT



4.1 2019 RESULTS



4.1.1 Presentation of the consolidated income statement

	31/12/2019	31/12/2018	2019/2018 change (€ millions)
REVENUE	1,456.1	1,421.4	34.7
Group advertising revenue	1,107.9	1,067.1	40.8
- of which TV advertising revenue	930.4	894.9	35.5
- of which other advertising revenue	177.5	172.2	5.2
Group non-advertising revenue	348.2	354.3	(6.1)
Other operating revenues	5.8	14.7	(8.8)
TOTAL OPERATING REVENUES	1,461.9	1,436.1	25.8
Materials and other operating expenses	(715.8)	(711.0)	(4.8)
Personnel costs (including profit sharing plan contributions)	(280.4)	(279.6)	(0.8)
Taxes and duties	(68.7)	(61.7)	(7.0)
Amortisation, depreciation and impairment charges (net of reversals)	(112.6)	(117.6)	5.1
PROFIT FROM RECURRING OPERATIONS [EBITA]¹	284.4	266.1	18.3
Capital gains on disposals of investments	1.0	12.3	(11.3)
Operating income and expenses related to business combinations	(9.4)	(3.4)	(6.0)
OPERATING PROFIT [EBIT]	276.0	275.0	1.0
NET FINANCIAL INCOME/(EXPENSE)	(4.6)	(2.3)	(2.3)
Share of profit of joint ventures and associates	4.5	(0.8)	5.2
PROFIT BEFORE TAX	275.9	272.0	3.9
Income tax	(101.8)	(97.4)	(4.4)
NET PROFIT FROM CONTINUING OPERATIONS	174.0	174.5	(0.6)
Net profit/(loss) from operations sold	(1.4)	7.3	(8.7)
NET PROFIT FOR THE YEAR	172.7	181.8	(9.2)
Attributable to the Group	172.7	181.8	(9.2)
Attributable to non-controlling interests	-	-	-

⁽¹⁾ EBITA, also termed profit from recurring operations, is defined as operating profit (EBIT) before operating income and expenses from business combinations and capital gains on the disposal of subsidiaries.

M6 Group's 2019 consolidated revenue grew 2.4% to €1,456.1 million, driven by a 3.8% increase in multimedia advertising revenue, which notably included the Youth TV division (formerly Lagardère) over the last 4 months of the year.

Other operating revenues declined by €8.8 million (to €5.8 million) notably on account of the decrease in grants and the end of the CICE tax credit.

Operating revenues totalled €1,461.9 million in 2019, compared with €1,436.1 million in 2018, an increase of €25.8 million (up 1.8%).

Excluding operating expenses relating to business combinations and capital gains on the disposal of equity investments, operating expenses increased by €7.5 million (up 0.6%) to €1,177.5 million. This increase mainly reflects the integration of the Youth division (€29.5 million), partly offset by the decrease in the operating expenses of the Ventadis division (down €17.1 million).

Profit from recurring operations (EBITA) was up €18.3 million to €284.4 million, a new all-time high. All the Group's operating segments (TV, Radio, Production and Audiovisual Rights, Diversification) saw their contributions increase.

On a like-for-like basis – i.e. excluding the Youth TV division – the Group increased its EBITA (up €1.1 million) despite the unfavourable base effect related to the termination of the M6 mobile by Orange contract on 30 June 2019 (a €10.1 million shortfall).

As a result, the Group's operating margin was 19.5% (up 0.8 pp on 2018), achieving its highest level in 19 years.

Capital gains on disposals of investments fell by €11.3 million. In 2019, the Group sold its equity investment in 6&7 and reduced its stake in Life TV; in 2018, the Group sold its stake in AlbumPhoto (€12.3 million capital gain).

Operating expenses related to business combinations increased by €6.0 million. The Group recorded an expense of €6.9 million, corresponding to the discharge of relief fund debts recorded under assets in the balance sheet as part of the acquisition of the catalogue companies Mandarin Cinéma and Fidélité Films, in consideration for the receipt of grants from CNC over the year.

Net financial expense totalled €4.6 million (compared with €2.3 million at 31 December 2018), corresponding notably to the interest on the bond issue taken out in 2017 to finance the purchase of RTL Group's Radio division, the interest on the Schuldschein loan taken out in 2019 to finance the purchase of the Youth TV Division, to the interest on the lease debts and the fair value adjustment of financial assets and liabilities.

Income tax totalled €101.8 million, up €4.4 million. The effective tax rate rose and stood at 36.41% in 2019, compared with 34.35% in 2018.

Net profit from continuing operations was stable at €174.0 million.

The profit or loss after tax of discontinued operations for 2018 corresponded to the net profit of the Girondins division (€4.9 million capital gain and €2.4 million net profit from operations over the period it was held by the Group) and, for 2019, to the variation between the sale price of the Girondins division as estimated at 31 December 2018 and its adjusted sale price at 31 December 2019 (see Note 11 to the consolidated financial statements).

Net profit for the period was €172.7 million, compared with €181.8 million in 2018. Net margin was 11.9%, compared with 12.8% in 2018.

4.1.2 Analysis of the consolidated income statement by segment

The Group publishes revenue and EBITA figures for the following 4 segments:

- Television (free-to-air channels – M6, W9, 6ter and Gulli; pay channels – Paris Première, Téva, M6 Music, Série Club, Tiji, Canal J, RFM TV, MCM and MCM Top; on-demand TV – 6play, Gulli Max and Gulli Replay; sales house business; interactivity-related revenues);
- Radio (radio stations – RTL, RTL2 and Fun Radio; on-demand radio - podcasts; sales house business);
- Production & Audiovisual Rights (cinema production, TV production, web production and distribution of audiovisual rights);
- Diversification (distance selling, other online revenue, Interactions division, and M6 Créations).

TELEVISION

(€ millions)	31/12/2019			31/12/2018			2019/2018 change		
	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA
TOTAL TV DIVISION	1,028.8	1,013.6	223.6	988.4	966.5	214.0	40.4	47.1	9.6

The TV advertising market recorded a decline over 2019 as a whole, penalised towards the end of the year by a difficult social and economic climate with extended transport strikes. Within this adverse environment, M6 Group's TV division (free-to-air and pay channels, and 6play) managed to stabilise its annual advertising revenues at constant scope (down 3.4% over Q4) and increase them by 4.0% with the Youth TV channels (up 8.1% over Q4).

The cost of TV channel programming (free-to-air and pay channels, and 6play) stood at €501.3 million, a year-on-year increase of €5.7 million. Excluding Youth channels, it recorded a decline which reflects the Group's agility in the face of this slowdown in the advertising market due to the current economic climate.

The TV division contributed €223.6 million to EBITA, representing an increase of €9.6 million compared with 2018. The contribution made by the Youth division was partially offset by the significant increase in the Group's digital investments.

RADIO

(€ millions)	31/12/2019			31/12/2018			2019/2018 change		
	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA
TOTAL RADIO DIVISION	172.3	171.0	30.1	168.4	167.0	28.0	3.9	4.0	2.1

Within an advertising market seeing slight growth and impacted by the social unrest in late 2019, the Radio division capitalised on its leadership position to gain market share.

Its revenue stood at €171.0 million, up 2.4%.

EBITA totalled €30.1 million compared with €28.0 million in 2018, reflecting the continued implementation of synergies.

PRODUCTION AND AUDIOVISUAL RIGHTS

(€ millions)	31/12/2019			31/12/2018			2019/2018 change		
	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA
TOTAL PRODUCTION & AUDIOVISUAL RIGHTS	143.1	75.1	14.8	151.0	76.5	8.7	(8.0)	(1.3)	6.2

Revenue from the Production and Audiovisual Rights division stood at €75.1 million in 2019, a slight decline of 1.7% year-on-year. The fall in the contribution made by international copyright sales was partially offset by the increase in box office revenues.

In total, films distributed and/or financed by M6 Group and released in 2019 generated 15.9 million admissions, compared with 15.7 million for those released in 2018.

Divisional EBITA was €14.8 million, a year-on-year increase of €6.2 million, reflecting the strength of the cinema distribution business.

DIVERSIFICATION

(€ millions)	31/12/2019			31/12/2018			2019/2018 change		
	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA	Total revenue	External revenue (consolidated)	EBITA
TOTAL DIVERSIFICATION	196.7	196.1	25.3	213.4	211.1	25.1	(16.7)	(15.1)	0.1

In 2019, Diversification revenues totalled €196.1 million (compared with €211.1 million in 2018). Excluding the negative base effects connected with the deconsolidation of monAlbumPhoto (a €12.9 million shortfall) and the termination of the M6 mobile by Orange contract on 30 June 2019 (a €10.1 million shortfall), they recorded an increase of €7.9 million.

- Focusing on Ventadis' activities, the decline in home shopping revenues in France was partially offset by the arrival within the scope of HSS Belgique (home shopping), now fully owned, as well as the increase in Best of TV's revenues.

- M6 Digital Services saw its revenues rise, mainly as a result of the momentum of the cashback business, driven by iGraal. Within a highly competitive display advertising market, the advertising activity of the portals also grew.

EBITA from Diversification was stable, at €25.3 million. The €10.1 million negative impact of the end of the M6 mobile by Orange contract was offset both by the increase in revenues and profitability of M6 Digital Services, and the return to profitability recorded by Best of TV.

UNALLOCATED ITEMS

Eliminations and unallocated income/expenses related to:

- the cost of performance share allocation plans, in accordance with IFRS 2 – *Share-Based Payments*;
- unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal of non-current audiovisual assets or inventories;
- EBITA of property companies and dormant companies (€2.7 million in 2019 versus €2.5 million in 2018): the Group owns 18,000m² of offices in Neuilly-sur-Seine, which are leased to Group companies; all leasing and sub-leasing agreements provide for transparent billings of rent and related charges to each tenant, under normal market conditions, in proportion to the space occupied.

The profitability of this business is equal to the difference between the rent charged and the operating expenses of these buildings (depreciation, utility and maintenance charges, etc.).

4.1.3 Significant contracts signed over the last 24 months

No significant contract was concluded outside the ordinary activities of M6 Group during the last 24 months.

4.2 BALANCE SHEET AND CASH FLOW STATEMENT

4.2.1 Balance sheet

	31/12/2019	31/12/2018	Change (€ millions)
Goodwill	366.5	193.6	172.9
Non-current assets	386.1	363.0	23.0
Current assets	859.6	820.0	39.5
Cash and cash equivalents	45.9	132.8	(86.9)
Assets held for sale ⁽¹⁾	49.2	-	49.2
TOTAL ASSETS	1,707.3	1,509.5	197.8
Equity Group share	772.9	716.6	56.3
Non-controlling interests	-	0.1	(0.1)
Non-current liabilities	234.9	125.9	109.0
Current liabilities	669.7	666.9	2.9
Liabilities associated with assets held for sale ⁽¹⁾	29.8	-	29.8
TOTAL EQUITY AND LIABILITIES	1,707.3	1,509.5	197.8

⁽¹⁾ In accordance with IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*, iGraal's assets and liabilities are presented as "assets held for sale" and "liabilities associated with assets held for sale" respectively in the consolidated balance sheet at 31 December 2019

At 31 December 2019, total assets were €1,707.3 million, an increase of €197.8 million (up 13.1%) compared with 31 December 2018.

Non-current assets (including goodwill) totalled €752.6 million, an increase of €195.9 million (up 35.2%) compared with the 2018 year-end.

This sharp increase was primarily due to the acquisition of the Youth TV division (goodwill of €193.1 million).

Current assets, excluding cash and cash equivalents, were grew to €859.6 million at 31 December 2019.

This increase of €39.5 million was primarily due to the significant growth of €35.7 million in trade receivables, including an increase of €45.8 million for the Youth TV division.

Cash and cash equivalents amounted to €45.9 million, down €86.9 million compared with 31 December 2018 (see comments on the consolidated cash flow statement).

The Group share of consolidated equity totalled €772.9 million. This €56.3 million increase was due to the payment of dividends of €125.8 million and the Group share of net profit for the 2019 financial year of €172.7 million.

Non-current liabilities totalled €234.9 million, an increase of €109.0 million compared with the 2018 year-end.

This sharp increase was primarily the result of the €73.9 million increase in financial liabilities, notably in respect of the acquisition of the Youth TV division and lease liabilities under IFRS 16 – *Leases* (up €35.1 million). Current liabilities were stable and totalled €669.7 million at 31 December 2019.

4.2.2 Cash flow statement

	31/12/2019	31/12/2018	Change (€ millions)
Self-financing capacity from operations	399.2	364.8	34.4
Change in operating WCR	(28.4)	(22.9)	(5.5)
Income tax	(94.0)	(61.2)	(32.8)
Cash flow from operating activities	276.7	280.8	(4.1)
Cash flow from investment activities	(323.4)	(8.5)	(314.9)
<i>Recurring items</i>	(100.5)	(107.2)	6.7
<i>Non-recurring items</i>	(222.9)	98.7	(321.6)
Cash flow from financing activities	(39.6)	(181.8)	142.3
<i>Dividend payments</i>	(125.8)	(120.3)	(5.5)
<i>Equity transactions</i>	(5.3)	(17.5)	12.2
<i>M&A financing</i>	100.0	(34.0)	134.0
<i>Lease repayments</i>	(8.0)	-	(8.0)
<i>Other</i>	(0.5)	(10.0)	9.6
Cash flow from operations sold	-	(11.9)	11.9
Translation effect on cash and cash equivalents	0.1	0.0	0.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	(86.1)	78.5	
Cash of assets held for sale	(0.8)	-	(0.8)
Cash and cash equivalents - opening balance	132.8	54.3	78.5
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	45.9	132.8	(87.0)
<i>Net cash position - closing balance</i>	(98.7)	93.8	(192.5)

Cash flow from operating activities was €276.7 million for the 2019 financial year, down €4.1 million.

This decrease of €4.1 million (down 1.5%) was due to the following developments:

- the pre-tax self-financing capacity generated by the Group grew by €34.4 million to €399.2 million as the result notably of depreciation and amortisation charges, net of writebacks, and to provisions that were higher than those in the previous financial year (up €23.7 million) and a level of capital gains on disposals that was lower in 2019 than in 2018 (up €12.1 million);
- the slightly negative impact of the change in working capital requirements (down €5.5 million);
- dramatically higher 2019 tax paid (€32.8 million) which included no exceptional items, unlike in 2018 (tax refund on dividends).

In 2019, cash flow applied to investments used cash resources of €323.4 million, compared with €8.5 million in 2018.

This sharp increase of €314.9 million primarily reflected:

- net disbursements of €222.9 million in relation to business acquisitions and disposals in 2019, primarily due to the acquisition of the Youth TV division (€214.8 million);
- the decline in recurring investments (to €6.7 million) related in particular to the absence of investments in M6 Studio and on the Radio installations in Neuilly-sur-Seine, nevertheless offset by the increase in rights acquisitions by SNDA and investments in Bedrock.

Cash flow resulting from financing activities used cash resources of €39.6 million compared with €181.8 million in 2018.

This €142.3 million reduction was primarily due to the financing of acquisitions (up €134.0 million).

The 2019 financial year thus resulted in a €86.1 million decrease in cash and cash equivalents.

Cash and cash equivalents totalled €45.9 million at 31 December 2019, compared with €132.8 million at 31 December 2018.

The Group had net debt of €98.7 million at 31 December 2019 which does not take into account the lease liabilities resulting from the application of IFRS 16 – *Leases*, and which stood at €43.1 million at 31 December 2019.

4.2.3 Cash management policy

The cash management policy is detailed in this document in the section dedicated to the investment policy included in Note 20.3 to the consolidated financial statements.

4.2.4 Investment policy

A highly significant element of M6 Group's business is the acquisition of rights and the production of programmes. These "investments" in programmes are treated as operating expenses. They are therefore not capitalised but recognised as off-balance sheet commitments before the rights are opened, and then in inventory after the rights are opened.

M6's capital expenditure policy is driven by the following:

- the concern to provide the Group with the necessary resources to develop future growth drivers that meet the challenges resulting from new broadcasting modes and media viewing patterns;
- the strategic necessity to supply existing operations with the best content and products possible in order to confirm their positioning and attractiveness;
- the importance of providing the Group with a safe and efficient working environment, both in terms of infrastructure and equipment (offices, production resources, etc.) and information and broadcasting systems;
- TV network obligations and contractual commitment obligations, as well as regulations that govern these activities.

As part of its contractual and regulatory obligations, M6 Group's obligations in terms of the production of audiovisual works amounted to €123.4 million in 2019.

Property, plant and equipment investments are set out in Note 16 to the consolidated financial statements included in Section 5.2 of this document.

The Company has made no firm commitments in terms of investments which are not mentioned in this Universal Registration Document.

4.2.5 Contingent assets and liabilities

A description, a summary table and an analysis of changes in contingent assets and liabilities are included in Note 24 to the consolidated financial statements set out in this document.

4.3 FINANCIAL POSITION OF THE PARENT COMPANY AND AGREEMENTS WITH ITS SUBSIDIARIES

4.3.1 Financial position of the parent company

At 31 December 2019, Métropole Télévision (M6) had total assets of €1,536.6 million, an increase of €125.8 million (up 8.9%) compared with 31 December 2018.

Fixed assets were stable at €452.2 million (compared with €450.3 million at 31 December 2018).

Current assets increased by €123.9 million to €1,084.1 million. The majority of this change was due to the €237.8 million growth in other receivables in connection with the increase in debit current accounts with the Group's subsidiaries, partly offset by the reduction in trade receivables (down €39.8 million) and cash and cash equivalents (down €84.1 million).

Under equity and liabilities, liabilities increased by €97.9 million to €904.2 million, primarily due to the increase in financial debt (up €75.3 million). This reflects the introduction over the past financial year of the Schuldschein loan to finance the acquisition of Lagardère Group's Youth TV division.

Shareholders' equity totalled €578.0 million, an increase of €29.6 million. This change was primarily due to:

- the payment of dividends of €125.8 million;
- and net profit for the year of €155.8 million.

At 31 December 2019, cash and cash equivalents (cash and marketable securities less bank overdrafts) were €38.0 million, down €82.5 million compared with 31 December 2018.

4.3.2 Shareholders' agreements

Métropole Télévision and its subsidiaries have entered into shareholders' agreements, in addition to the Bylaws, with a view to organising relationships with joint shareholders in certain companies.

At 31 December 2019, the companies concerned were Extension TV (Série Club), CNH, Multi 4, Panora Services, Quicksign, Media Square, Elephorm, Best of TV, Victor & Charles, GLHF, Life TV, Alliance Gravity Data Media, Music Nancy FM, Fun Radio Belgique, 2CED, Ctzar, Wild Buzz Agency, Stephane Plaza France, Youmiam, NTN, Salto and Salto Gestion.

4.3.3 Direct shareholding interests over 5%, 10%, 20%, 33% or 50% of capital and controlling interests acquired during the 2019 financial year

In accordance with legal provisions, in particular Article L. 233-6 of the Commercial Code, the table below shows the direct shareholding interests acquired by Métropole Télévision or any one of its subsidiaries during the 2019 financial year.

These shareholding interests are detailed in Paragraph 1.2. Group Structure of this document.

Company name	Legal form	2019 equity investments	% shareholding			Total
			Direct M6	Indirect M6	Company	
Igraal	SAS	49%	-	100%	M6 Digital Services	100%
Wild Buzz Agency (WBA)	SAS	40%	-	40%	M6 Publicité	40%
Salto	SNC	33%	-	33%	M6 Shop	33%
Salto Gestion	SAS	33%	-	33%	M6 Shop	33%
Thematic youth channels	SAS	100%	-	100%	M6 Thématique	100%
LTI Vostok	SARL	100%	-	100%	Thematic youth channels	100%
Jeunesse TV	SAS	100%	-	100%	M6 Thématique	100%
Mux M1	SAS	8.3%	-	24.9%	RTL France Radio	24.9%
Mux M1	SAS	8.3%	-	24.9%	SERC	24.9%
Mux M1	SAS	8.3%	-	24.9%	SODERA	24.9%
Luxview	SAS	4.4%	-	100%	Home Shopping Service	100%

4.3.4 Parent company/subsidiaries relationships

Métropole Télévision has its own business activities and also defines the strategic objectives for the Group in its capacity as Parent Company. It sets and defines the framework for oversight of the activities of Group entities, as follows:

- through the strategic objectives defined for Group activities;
- through the specific features of its four core business lines: Television, Radio, Production & Audiovisual Rights, and Diversification;
- through the existing business-wide functional departments (Finance, Corporate Services, Human Resources, Legal Affairs, Information Systems, Internal Communications, etc.) which operate as shared services across the Group. These functional responsibilities are held by specialists from each of the business lines. The provision of these resources is formalised in Technical Assistance Agreements and is invoiced to each subsidiary.

From a financial point of view:

- the cash pooling agreement with subsidiaries enables M6 to manage and consolidate the cash resources of most Group subsidiaries to optimise its use;
- Métropole Télévision is the parent company of a tax consolidation group pursuant to the provisions of Article 223 A of the General Tax Code.

At 31 December 2019, the Métropole Télévision Group had 82 subsidiaries and affiliates as follows:

- 23 significant consolidated subsidiaries;
- 43 insignificant consolidated subsidiaries;
- 16 non-consolidated subsidiaries.

Significant consolidated subsidiaries are as follows:

Significant consolidated subsidiaries (23)	Country	Financial transactions with Métropole Télévision		% interest (rounded up)
		Member of cash pooling agreement	Various significant transactions*	
TELEVISION				
M6 Publicité	France	yes	Sales house payment	100%
M6 Génération - 6TER	France	yes	Technical services, rebilling of personnel costs	100%
Paris Première	France	yes	Technical services, rebilling of personnel costs	100%
EDI TV – W9	France	yes	Sales of broadcasting rights, technical services, rebilling of personnel costs	100%
Sedi TV - Téva	France	yes	Technical services, rebilling of personnel costs	100%
Bedrock (formerly M6 Distribution)	France	yes	Advertising, technical services, rebilling of personnel costs	100%
M6 Distribution Digital	France	yes	Advertising, technical services, rebilling of personnel costs	100%
SNDA	France	yes	Purchase and sale of broadcasting rights	100%
RADIO DIVISION				
ID (Information et Diffusion)	France	yes	Misc. re-invoicing	100%
SERC - Fun Radio	France	yes	Misc. re-invoicing	100%
SODERA - RTL 2	France	yes	Misc. re-invoicing	100%
RTL France Radio	France	yes	Advertising, technical services, rebilling of personnel costs	100%
PRODUCTION AND AUDIOVISUAL RIGHTS				
C. Productions	France	yes	Purchase of broadcasting rights	100%
Studio 89 Productions	France	yes	Purchase of broadcasting rights	100%
M6 Studio	France	yes	Purchase of broadcasting rights	100%
Société Nouvelle de Distribution	France	yes	Purchase of broadcasting rights	100%
GM6 - Golden Network	France	yes	Technical services, rebilling of personnel costs	100%
DIVERSIFICATION				
M6 Créations	France	yes	Advertising	100%
Home Shopping Service	France	yes	Rebiling of personnel costs	100%
M6 Interactions	France	yes	Technical services, rebilling of personnel costs	100%
M6 Digital Services	France	yes	Advertising, technical services, rebilling of personnel costs	100%
PROPERTY				
Immobilière M6	France	yes	Rent re-invoicing	100%
Immobilière 46D	France	yes	Rent re-invoicing	100%

* Transactions valued in excess of €500 K

In view of the size of their individual business activities, the transactions between other companies and Métropole Télévision are insignificant.

The duties performed by its executives in the subsidiaries are set out in Section 2.2 of this Document.

The contributions of major Group companies in terms of non-current assets, financial debt, balance sheet cash and cash equivalents, cash flow from operations and dividends paid by subsidiaries to the parent company during the financial year are presented below, to disclose the respective scale of each company within the Group and more specifically the relative size of the parent company compared to the direct and indirect subsidiaries.

The Group's financial liabilities, excluding lease liabilities, totalled €151.1 million and mainly included two long-term credit facilities the bond issue, bank debt and associates' current accounts.

Parent company - subsidiary relationships

(€ millions)	31/12/2019	31/12/2018
Non-current assets	728.2	540.5
Métropole Télévision - M6	131.4	93.5
Jeunesse TV	116.0	-
Thematic youth channels	80.0	-
RTL France Radio	60.3	61.3
M6 Distribution Digital	45.4	-
Sodera - RTL 2	35.8	36.3
SCI du 107	30.2	32.1
Immobilière M6	29.8	29.5
Société Nouvelle de Distribution	27.3	7.8
SERC - Fun Radio	24.3	24.5
Immobilière 46D	22.0	23.3
M6 Publicité	21.2	23.4
Teleshopping *	18.6	17.1
SNDA	18.3	18.1
Bedrock (formerly M6 Distribution)	15.7	-
M6 Digital Services	8.1	75.4
M6 Interactions	7.8	6.6
Stéphane Plaza Franchise	6.3	5.2
Canal Star	5.7	5.3
M6 Studio	4.1	9.4
Ctzar	4.1	4.8
Elephorm	2.7	0.5
M6 Hosting	2.3	2.5
Wild Buzz Agency	2.3	-
Média Stratégie	2.2	2.1
Sprgb sarl	2.1	2.1
iGraal	-	19.0
SNC Audiovisuel FF	-	13.3
SNC Catalogue MC	-	10.4
M6 Foot	-	5.6
Life TV	-	3.3
<i>Other</i>	4.0	8.7
Balance sheet cash	45.9	132.8
Métropole Télévision - M6	26.3	107.1
Société Nouvelle de Distribution	5.4	4.4
Teleshopping *	4.2	2.8
M6 Distribution Digital	2.9	-
Thematic youth channels	2.4	-
LTI Vostok	1.8	-
SND USA	1.1	1.1
M6 Digital Services	0.3	1.3
Paris Première	0.4	2.5
Bedrock (formerly M6 Distribution)	(1.0)	-
iGraal	-	6.6
M6 Publicité	-	5.0
<i>Other</i>	2.7	1.9
Cash flow from operating activities	276.7	280.8
SNDA	48.6	52.1
M6 Publicité	45.5	103.3
M6 Distribution Digital	33.5	-
Société Nouvelle de Distribution	31.8	20.6
RTL France Radio	16.0	(31.9)
Jeunesse TV	15.7	-
Sedi TV - Téva	14.7	15.4
M6 Génération - 6Ter	11.0	5.2
M6 Studio	10.4	6.4
Sodera - RTL 2	9.6	(2.9)
M6 Digital Services	8.8	41.3
Paris Première	8.7	8.3
iGraal	8.1	4.3
SERC - Fun Radio	7.9	(4.5)
Bedrock (formerly M6 Distribution)	6.8	-
M6 Interactions	4.7	6.1
M6 Films	3.7	2.2
Immobilière M6	3.5	3.2
Teleshopping *	2.3	1.6
Métropole Télévision - M6	2.2	50.4
Studio 89 Productions	2.0	(3.3)
ID (Information et Diffusion)	(2.1)	5.5
Joikka	(2.5)	(0.6)
Edi TV - W9	(6.5)	(8.8)
Thematic youth channels	(14.4)	-
<i>Other</i>	6.8	7.1
Dividends paid to Métropole Télévision	102.9	75.6

M6 Interactions	51.3	30.2
M6 Publicité	24.5	24.6
M6 Thématique	15.0	11.5
Sodera - RTL 2	6.5	6.5
SERC - Fun Radio	2.0	-
Immobilière M6	1.7	0.9
SNDA	1.3	-
Société Nouvelle de Distribution	0.3	0.2
C. Productions	0.2	0.4
M6 Digital Services	-	1.2

** Teleshopping includes HSS, HSS Belgique, Best of TV and Best of TV Benelux data.*

Moreover, regulated agreements and commitments are presented in the Statutory Auditors' Special Report in Section 5.9 of this document.

4.3.5 Tax consolidation

On 1 January 1988, Métropole Télévision declared itself as the parent company of a tax consolidation group pursuant to the provisions of Article 223 A and subsequent of the General Tax Code.

All French-registered Group companies that are subject to income tax and are more than 95% continuously owned directly or indirectly by Métropole Télévision are members of the tax consolidation group.

The background features a light-colored, textured surface with several Polaroid-style photographs. The photos contain stylized letters and numbers in various colors (purple, pink, red). One photo shows 'W9', another shows '6ter', and others show 'r', 'V', 'Ma', and 'oo'.

5

2019 FINANCIAL STATEMENTS

5.1 CONSOLIDATED FINANCIAL STATEMENTS AT 31/12/2019

5.1.1 Consolidated statement of financial position

ASSETS

(€ millions)	Note n°	31/12/2019	31/12/2018
Goodwill	14 and 15	366.5	193.6
Audiovisual rights	14	45.3	56.9
Other intangible assets	14	137.2	135.1
INTANGIBLE ASSETS		549.0	385.6
Land	16	19.1	19.1
Buildings	16	57.6	61.1
Right-of-use assets	16	38.3	-
Other property, facilities and equipment	16	39.0	39.2
PROPERTY, FACILITIES AND EQUIPMENT		153.9	119.4
Equity instruments measured at fair value	19.1	5.3	6.2
Other non-current financial assets	19.1	6.4	18.5
Investments in joint ventures and associates	18	13.5	10.8
FINANCIAL ASSETS		25.2	35.5
Deferred tax assets	10	24.5	16.2
NON-CURRENT ASSETS		752.6	556.7
Broadcasting rights inventory	17	280.2	260.9
Other inventories	17	11.6	8.6
Net trade receivables	19.1	356.2	320.5
Current tax		2.1	6.6
Derivative financial instruments	20.3	0.0	0.2
Other current financial assets	19.1	1.8	13.7
Other current assets	19.1	207.6	209.5
Cash and cash equivalents	19.1	45.9	132.8
CURRENT ASSETS		905.5	952.8
Assets held for sale ⁽¹⁾	11	49.2	-
TOTAL ASSETS		1,707.3	1,509.5

⁽¹⁾ Pursuant to IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, iGraal's assets are presented as "assets held for sale" in the consolidated statement of financial position at 31 December 2019 (see Note 11 - Operations held for sale / sold).

EQUITY AND LIABILITIES

(€ millions)	Note n°	31/12/2019	31/12/2018
Share capital		50.6	50.6
Share premium		7.6	7.6
Treasury shares		(12.2)	(12.0)
Consolidated reserves ⁽²⁾		563.0	496.3
Other reserves		(8.7)	(7.7)
Net profit for the year (Group share)		172.7	181.8
GROUP EQUITY		772.9	716.6
Non-controlling interests		-	0.1
SHAREHOLDERS' EQUITY	21	772.9	716.7
Provisions	22 and 23	45.0	37.9
Financial debt	19.2	125.4	51.5
Lease liabilities	19.2	35.1	-
Other financial liabilities	19.2	18.5	25.4
Other liabilities	19.2	0.7	0.8
Deferred tax liabilities	10	10.1	10.2
NON-CURRENT LIABILITIES		234.9	125.9
Provisions	23	44.0	54.1
Financial debt	19.2	25.7	0.4
Lease liabilities	19.2	8.0	-
Other financial liabilities	19.2	4.2	29.8
Trade payables	19.2	423.0	414.9
Other operating liabilities	19.2	15.1	15.5
Current tax		6.5	5.2
Tax and social security payable	19.2	125.8	122.6
Liabilities relating to non-current assets	19.2	17.5	24.3
CURRENT LIABILITIES		669.7	666.9
Liabilities associated with assets held for sale ⁽¹⁾	11	29.8	-
TOTAL EQUITY AND LIABILITIES		1,707.3	1,509.5

⁽¹⁾ Pursuant to IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, iGraal's liabilities are presented as "liabilities associated with assets held for sale" in the consolidated statement of financial position at 31 December 2019 (see Note 11 - Operations held for sale / sold).

⁽²⁾ Opening equity has been adjusted to exclude the effects of IFRS 16 – Leases, adopted by the Group with effect from 1 January 2019 without any adjustment being applied to comparative figures (see Note 4 - Changes in methods).

5.1.2 Consolidated statement of comprehensive income

CONSOLIDATED INCOME STATEMENT

(€ millions)	Note n°	31/12/2019	31/12/2018
Revenue	6	1,456.1	1,421.4
Other operating revenues	7.1	5.8	14.7
Total operating revenues		1,461.9	1,436.1
Materials and other operating expenses	7.2	(715.8)	(711.0)
Personnel costs (including profit sharing plan contributions)	7.3	(280.4)	(279.6)
Taxes and duties		(68.7)	(61.7)
Amortisation, depreciation and impairment charges (net of reversals)	7.4	(114.4)	(120.1)
Depreciation charge of right-of-use assets	7.4	(7.6)	-
Impairment of unamortised intangible assets	7.4 / 15	-	(0.9)
Total operating expenses		(1,186.9)	(1,173.3)
Capital gains on disposals of investments		1.0	12.3
Operating profit		276.0	275.0
Income from cash and cash equivalents		0.2	0.5
Cost of debt		(2.0)	(0.8)
Lease liability interest expense		(0.9)	-
Other financial items		(2.0)	(2.0)
Net financial income/(expense)	9	(4.6)	(2.3)
Share of profit of joint ventures and associates	18	4.5	(0.8)
Profit before tax		275.9	272.0
Income tax	10	(101.8)	(97.4)
Net profit from continuing operations		174.0	174.5
Net profit/(loss) from operations sold ⁽³⁾	11	(1.4)	7.3
Net profit for the year		172.7	181.8
attributable to the Group	12	172.7	181.8
attributable to non-controlling interests		-	0.0
Earnings per share - basic (€) - Group share	12	1.373	1.443
Earnings per share from continuing operations - basic (€) - Group share	12	1.384	1.385
Earnings per share - diluted (€) - Group share	12	1.365	1.438
Earnings per share from continuing operations - diluted (€) - Group share	12	1.376	1.380

⁽³⁾ Pursuant to IFRS 5 – Non-current assets held for sale and discontinued operations, the Girondins division is presented as an operation sold in the consolidated statement of comprehensive income for the 2019 and 2018 financial years (see Note 11 - Operations held for sale / sold).

CONSOLIDATED COMPREHENSIVE INCOME

(€ millions)	Note n°	31/12/2019	31/12/2018
Consolidated net profit		172.7	181.8
<i>Other items of comprehensive income transferable to the income statement:</i>			
Change in value of derivative instruments		(1.3)	6.6
Change in value of translation adjustment		0.2	0.1
Tax on transferable items	10	0.1	(2.4)
<i>Other items of comprehensive income non-transferable to the income statement:</i>			
Actuarial gains and losses		(4.5)	1.5
Equity instruments measured at fair value		(0.0)	-
Tax on non-transferable items	10	1.2	(0.4)
Other items of comprehensive income	21.3	(4.3)	5.4
Comprehensive income for the year		168.3	187.2
attributable to the Group		168.3	187.2
attributable to non-controlling interests		-	0.0

5.1.3 Consolidated statement of cash flows

(€ millions)	Note n°	31/12/2019	31/12/2018
Operating profit from continuing operations		276.0	275.0
Non-current asset amortisation, depreciation and provisions		109.7	93.6
Depreciation and writedown of right-of-use assets		7.6	-
Capital gains (losses) on disposals		(1.1)	(12.3)
Other non-cash items		8.1	9.3
Operating profit after restatement for non-cash items		400.3	365.7
Income from cash and cash equivalents		1.3	0.7
Interest paid		(1.7)	(1.5)
Lease liability interest expense		(0.7)	-
SELF-FINANCING CAPACITY BEFORE TAX		399.2	364.8
Movements in inventories	17	(8.4)	(6.8)
Movements in net trade receivables	19	(26.1)	(50.2)
Movements in operating liabilities	19	6.1	34.2
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS		(28.4)	(22.9)
Income tax paid		(94.0)	(61.2)
CASH FLOW FROM OPERATING ACTIVITIES		276.7	280.8
Investment activities			
Intangible assets acquisitions	14	(93.8)	(91.8)
Property, facilities & equipment acquisitions	16	(10.3)	(17.5)
Investment acquisitions	19	(0.0)	(0.0)
Cash and cash equivalents arising from subsidiary acquisitions		(240.1)	(7.4)
Cash and cash equivalents arising from subsidiary disposals		17.2	105.1
Intangible assets and property, facilities & equipment disposals	14 and 16	1.7	1.2
Dividends received		1.9	2.0
CASH FLOW FROM INVESTMENT ACTIVITIES		(323.4)	(8.5)
Financing activities			
Financial assets	19	0.0	(7.5)
Financial liabilities	19	99.5	(36.6)
Lease repayments	19	(8.0)	-
Purchase and sale of treasury shares	21	(5.3)	(17.5)
Dividends paid	13	(125.8)	(120.3)
CASH FLOW FROM FINANCING ACTIVITIES		(39.6)	(181.8)
Cash flow from operations sold ⁽³⁾	11	-	(11.9)
Translation effect on cash and cash equivalents		0.1	0.0
NET CHANGE IN CASH AND CASH EQUIVALENTS	19	(86.1)	78.5
Cash of assets held for sale ⁽¹⁾	11	(0.8)	-
Cash and cash equivalents - start of year	19	132.8	54.3
CASH AND CASH EQUIVALENTS - END OF YEAR		45.9	132.8

⁽¹⁾ Pursuant to IFRS 5 – Non-current assets held for sale and discontinued operations, the cash held by iGraal at 31 December 2019 was reclassified to the “Assets held for sale” aggregate in the consolidated statement of financial position (see Note 11 - Operations held for sale / sold).

⁽³⁾ Pursuant to IFRS 5, the Girondins division is presented as an operation sold in the consolidated statement of cash flows for the 2019 and 2018 financial years (see Note 11 - Operations held for sale / sold).

5.1.4 Consolidated statement of changes in equity

(€ millions)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Consolidated reserves Group net profit	Fair value movements Foreign exchange difference	Equity Group share	Non-controlling interests	Shareholders' equity
BALANCE AT 1 JANUARY 2018	126,414.2	50.6	7.6	(6.8)	622.8	(11.9)	662.3	(0.1)	662.2
Impacts of IFRS 15 on shareholders' equity opening balance ⁽⁵⁾		-	-	-	(0.2)	-	(0.2)	-	(0.2)
BALANCE AT 1 JANUARY 2018 Restated	126,414.2	50.6	7.6	(6.8)	622.7	(11.9)	662.1	(0.1)	662.0
Change in value of derivative instruments					-	4.2	4.2	-	4.2
Actuarial gains and losses					1.1	-	1.1	(0.0)	1.1
Foreign exchange difference					-	0.1	0.1	-	0.1
Other items of comprehensive income		-	-	-	1.1	4.3	5.4	(0.0)	5.4
Consolidated net profit for the year					181.8		181.8	(0.0)	181.8
Total comprehensive income for the year		-	-	-	182.9	4.3	187.2	(0.0)	187.2
Dividends paid					(120.3)		(120.3)	(0.0)	(120.3)
Purchase and sale of treasury shares				(5.2)	(8.1)		(13.3)		(13.3)
Total shareholder transactions		-	-	(5.2)	(128.4)	-	(133.6)	(0.0)	(133.6)
Cost of performance shares (IFRS 2)					9.4		9.4	-	9.4
Performance share allocation hedging instruments					0.1		0.1	-	0.1
Other movements					(8.6)		(8.6)	0.2	(8.4)
BALANCE AT 31 DECEMBER 2018	126,414.2	50.6	7.6	(12.0)	678.1	(7.7)	716.6	0.1	716.7
Impacts of IFRS 16 on shareholders' equity opening balance ⁽²⁾		-	-	-	(0.6)	-	(0.6)	-	(0.6)
BALANCE AT 1 JANUARY 2019 Restated	126,414.2	50.6	7.6	(12.0)	677.5	(7.7)	716.0	0.1	716.0
Change in value of derivative instruments					-	(1.2)	(1.2)	-	(1.2)
Change in value of equity instruments						(0.0)	(0.0)	-	(0.0)
Actuarial gains and losses					(3.3)	-	(3.3)	-	(3.3)
Foreign exchange difference						0.2	0.2	-	0.2
Other items of comprehensive income		-	-	-	(3.3)	(1.0)	(4.3)	-	(4.3)
Consolidated net profit for the year					172.7	-	172.7	-	172.7
Total comprehensive income for the year		-	-	-	169.4	(1.0)	168.3	-	168.3
Dividends paid					(125.8)	-	(125.8)	-	(125.8)
Purchase and sale of treasury shares				(0.2)	(3.3)	-	(3.6)	-	(3.6)

Total shareholder transactions		-	-	(0.2)	(129.1)	-	(129.3)	-	(129.3)
Cost of performance shares (IFRS 2)					7.9	-	7.9	-	7.9
Performance share allocation hedging instruments					0.1	-	0.1	-	0.1
Other movements ⁽⁴⁾					9.8	-	9.8	(0.1)	9.7
BALANCE AT 31 DECEMBER 2019	126,414.2	50.6	7.6	(12.2)	735.7	(8.7)	772.9	-	772.9

⁽²⁾ Opening equity at 1 January 2019 has been adjusted to exclude the effects of IFRS 16 – Leases, adopted by the Group for the first time at that date without any adjustment being applied to comparative figures (see Note 4 - Changes in methods).

⁽⁴⁾ Changes in the fair value of put options granted to minority shareholders are recognised under Group consolidated reserves (see Note 5 - Business combinations / Changes in the scope of consolidation).

⁽⁵⁾ Opening equity at 1 January 2018 has been restated to include the effects of IFRS 15 – Revenue from Contracts with Customers, adopted by the Group for the first time with effect from that date without any adjustment being applied to comparative figures.

5.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Unless otherwise stated, all amounts presented in the notes are expressed in millions of Euros.

1. Company information

The consolidated financial statements at 31 December 2019 of the Group of which Métropole Télévision is the parent company (the Group) were approved by the Executive Board on 12 February 2020 and reviewed by the Supervisory Board on 13 February 2020. They will be submitted for approval to the next Annual General Meeting on 28 April 2020.

Métropole Télévision is a public limited company governed by an Executive Board and a Supervisory Board, registered at 89, avenue Charles-de-Gaulle, Neuilly sur Seine in France. Its shares trade on compartment A of the Euronext Paris Stock Exchange (ISIN Code: FR0000053225). The Company is fully consolidated into RTL Group, which is listed on the Brussels, Luxembourg and Frankfurt stock exchanges.

2. Financial year highlights

2.1. Acquisition of Lagardère's Television Division

On 31 January 2019, the Group entered into exclusive negotiations with Lagardère Active for the acquisition of Lagardère Group's Television Channels Division (excluding Mezzo), the French leader in live and on-demand children's television.

After receiving the opinions of the staff representative bodies of the companies concerned, on 24 May 2019, Lagardère and M6 Group signed the purchase agreement.

On 25 June 2019, the France's Competition Authority authorised the deal.

On 17 July 2019, the Conseil Supérieur de l'Audiovisuel approved the purchase of the channel Gulli by M6 Group.

This transaction relates to the acquisition of the securities in Lagardère Group's Television division (excluding Mezzo), which includes:

- the free-to-air DTT channel Gulli, the leader for children;
- the two pay-TV youth channels Canal J et Tiji;
- Lagardère's other entertainment and music pay-TV channels: MCM, RFM TV and MCM Top;
- the catch-up TV platforms of the various channels, including Gulli Replay and Gulli Max;
- International distribution activities, which notably include the channels Gulli Africa, Gulli Bil Arabi, Gulli Girl and Tiji Russia;
- The TV sales house business.

M6 Group finalised the acquisition of 100% of the capital of these companies on 2 September 2019.

2.2. Launch of Salto

In 2018, the Group announced an alliance project with France Télévisions and TF1 to jointly build a French OTT platform: SALTO.

On 17 June 2019, the M6, TF1 and France Télévisions groups notified the Competition Authority of this plan to create a full-function joint enterprise devoted to operating a distribution platform for the free-to-air DTT channels available on OTT networks, offering innovative functionalities and a subscription-based video-on-demand service.

On 12 August 2019, following a favourable opinion from the Conseil Supérieur de l'Audiovisuel on 17 July and authorisation from the Competition Authority, the M6, TF1 and France Télévisions groups announced that Salto could commence operations.

2.3. Other highlights

- On 1 January 2019, the commitment to purchase shares held by the minority shareholders of iGraal was fulfilled, with the Group thus acquiring the remaining 49% of the latter.

- On 21 March 2019, M6 reduced its shareholding in Ivory Coast channel Life TV from 33% to 12.5%.

- On 23 May 2019, M6 Publicité acquired a 40% stake in the share capital of Wild Buzz Agency, a company specialised in the organisation of events, pop-up venues and conferences, thereby strengthening the range offered by the sales house to its advertisers.

- On 24 July 2019, M6 Group sold its 49% stake in the music production and publishing company 6&7.

- On 27 November 2019, the M6 and TF1 groups announced that they had acquired broadcasting rights for the forthcoming UEFA Euro 2020 tournament, to be held from 12 June to 12 July 2020.

- On 16 December 2019, the M6 Group entered into exclusive talks with Germany's Global Savings Group (GSG), a major global player in digital marketing, with a view to a combination with the Group's iGraal subsidiary, leader in the French cashback market. The deal, which would take the form of a partial cash sale for €35 million and a share swap, would value iGraal at €123.5 million (on an enterprise value basis). This would make M6 Group the leading shareholder in GSG, with a 38% stake (ahead of investment funds Rocket Internet and Holtzbrinck Ventures).

Completion of the transaction remains subject to finalisation of the negotiations and to consultation with employee representative bodies, and is expected to close in the first quarter of 2020.

3. Preparation and presentation of the consolidated financial statements

3.1. Accounting framework

The consolidated financial statements at 31 December 2019 have been prepared in accordance with the IFRS (International Financial Reporting Standards) in force within the European Union at that date. They are presented with comparative figures for 2018 prepared under the same framework.

The IFRS standards adopted by the European Union at 31 December 2019 are available in the section IAS/IFRS, SIC and IFRIC standards and interpretations adopted by the Commission on the following website: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

In relation to texts having an impact on M6 Group's consolidated financial statements, there were no differences between the texts approved by the European Union and the standards and interpretations published by the IASB.

Principles applied

The principles applied for the establishment of these financial statements result from the application of:

- all standards and interpretations adopted by the European Union, the application of which is mandatory for financial years starting on or after 1 January 2019;
- options retained and exemptions used.

New accounting standards, amendments and interpretations in force in the European Union, the application of which is mandatory for financial years starting on or after 1 January 2019

The adoption of IFRS 16 – *Leases* and IFRIC 23 – *Uncertainty over income tax treatments*, applicable to financial years beginning on or after 1 January 2019, has affected the Group's accounting principles and policies.

The Group has opted to apply the modified retrospective method at 1 January 2019 and has recognised the cumulative impacts on equity of first-time adoption of this standard and interpretation at that date, without restating comparative information.

These changes are presented in greater detail in Note 4 – *Changes in methods*.

Other standards and IFRS amendments applicable to the 2019 financial year had no material impact on the Group's consolidated financial statements at 31 December 2019:

- Amendment to IAS 19 – *Employee Benefits: Plan Amendment, Curtailment or Settlement*, applicable to financial years beginning on or after 1 January 2019;
- Annual improvements to IFRS (cycle 2015-2017), applicable to financial years beginning on or after 1 January 2019;
- Amendments to IAS 28 – *Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures*, applicable to financial years beginning on or after 1 January 2019;
- Amendments to IFRS 9 – *Financial Instruments: Prepayment Features with Negative Compensation*, applicable to financial years starting on or after 1 January 2019.

Application of new standards prior to the date on which their application becomes mandatory

The Group has chosen not to apply in advance the following texts, the application of which is not mandatory until after 1 January 2019:

- Amendments to IAS 1 and IAS 8 – *Definition of Material*, applicable to financial years beginning on or after 1 January 2020. The Group does not expect any material impact from the first application of these amendments on its financial position or performance.

Standards published by the IASB but not yet approved by the European Union

The Group may be affected by:

- IFRS 17 – *Insurance Contracts*, applicable to financial years beginning on or after 1 January 2021;

- Amendments to IFRS 3 – *Business Combinations: Definition of a Business*, applicable to financial years beginning on or after 1 January 2020.

The consequences of the first-time application of these standards for the Group are currently being analysed. The latter is not expected however to have any material impact on the Group’s financial position or performance.

Options available and applied by the Group in relation to the accounting framework

Some of the international accounting standards allow options relating to the valuation and accounting treatment of assets and liabilities. The options utilised by the Group are detailed in Note 3.5.

3.2. PREPARATION PRINCIPLES

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for derivative instruments, equity instruments and assets measured at fair value through the income statement or items of other comprehensive income, which have been measured at fair value. Other financial assets have been measured at amortised cost.

Except for derivatives measured at fair value, financial liabilities have been valued in accordance with the amortised cost principle. The book value of assets and liabilities recognised in the balance sheet and subject to a fair value hedge has been restated to reflect the movements in the fair value of the risks hedged against.

3.3. Use of estimates and assumptions

In order to prepare the consolidated financial statements in compliance with IFRS, Group Management makes estimates and formulates assumptions which affect the amounts presented as assets and liabilities on the consolidated balance sheet, the information provided on contingent assets and liabilities at the time of preparing this financial information, as well as the income and expenditure recognised in the income statement.

Management continually reviews its estimates and assumptions of the book value of asset and liability items, taking into account past experience as well as various other factors that it deems reasonable.

The estimates and assumptions established during the finalisation of the consolidated financial statements are liable to be substantially called into question over future financial years, both as a result of changes in the Group’s operations and performance and exogenous factors affecting the Group’s development.

The main estimates and assumptions relate to:

- the valuation and recoverable value of goodwill and intangible assets such as audiovisual rights; the estimation of the recoverable value of these assets effectively rests on the determination of cash flows resulting from their use (goodwill and audiovisual rights) or the known market value of the assets. It could turn out that the cash flows actually realised from these assets differ significantly from initial projections. In the same manner, the market value of assets can change and differ from previously recognised values;
- the measurement, methods of usage and recoverable value of audiovisual rights recognised in inventories;
- the valuation of retirement benefits, the measurement methods of which are detailed in Note 22 - *Retirement benefits*;
- the valuation of commercial discounts (see Note 6 - *Segment reporting*);
- the determination of the amounts recognised as provisions for liabilities and charges given the uncertainties likely to affect the occurrence and cost of the events underlying the provisions.

3.4. Presentation principles

Presentation of the income statement

The Group presents the income statement based on the nature of expenses, as permitted by IAS 1 - *Presentation of Financial Statements*.

Operating profit is equal to consolidated net profit before taking into account:

- finance income;
- finance costs;
- income tax;
- share of profit of joint ventures and associates;
- net profit of operations sold.

Presentation of the statement of financial position

In compliance with IAS 1 - *Presentation of Financial Statements*, the Group presents current and non-current assets and liabilities separately on the balance sheet. Considering the nature of the Group’s activities, this classification is based upon the timescale in which the asset will be realised or the liability settled: “current” when this is within the operating cycle (12 months) or less than one year, and “non-current” if longer.

Pursuant to IFRS 5 - *Non-Current Assets Held for Sale and Discontinued Operations*, assets and liabilities of operations held for sale are presented separately in the balance sheet.

Presentation of the statement of cash flows

The table presents actual cash flows relating to the operations of the entities within the scope of consolidation at the year end. It has been established in compliance with IAS 7 - *Statement of Cash Flows*.

Cash flow from operating activities

Movements in inventories and receivables are calculated net of movements in provisions against current assets.

In addition, in order to highlight the effect of taxation on the movement in cash, the tax expense is removed from the self-financing capacity, and the movement in the tax liability is removed from the change in working capital requirements (WCR). The disbursement for taxation is thus isolated as a specific line item.

Cash flow from investment activities

The effects on cash of adjustments to the consolidation scope resulting from acquisitions and disposals of entities (other than discontinuing operations) are identified on the lines "Cash and cash equivalents arising from subsidiary acquisitions" and "Cash and cash equivalents arising from subsidiary disposals".

Operations held for sale / sold

The effects on the Group's cash of operations sold are shown on a separate line in the cash flow statement, "Cash flow linked to operations sold".

Presentation of contingent assets and liabilities

Commitments given in respect of purchases of rights are stated net of advances and prepayments made in this regard for the corresponding rights not yet recognised in inventories.

Transactions eliminated on consolidation

All inter-company transactions and balances between the Group's consolidated companies have been eliminated.

Financial year end

All consolidated companies have a 31 December year-end.

Translation of financial statements of consolidated foreign entities

The presentation currency of the consolidated financial statements is the Euro.

The financial statements of foreign operations are translated into Euros, the Group's financial statement reporting currency. All assets and liabilities of the entities are translated at the closing exchange rate of the financial year and income and expenses are translated at the average rate of the year just ended, corresponding to the approximate rate at the transaction date in the absence of significant fluctuations. Translation adjustments resulting from this treatment and those resulting from the translation at the year-end rate of subsidiaries' opening equity are posted to "Other reserves" under consolidated equity and to "Change in value of translation adjustment" under other items of comprehensive income.

3.5. Options retained in relation to measurement and recognition of assets and liabilities

Some of the international accounting standards allow options relating to the valuation and accounting treatment of assets and liabilities.

Within this framework, the Group has opted for the valuation at historical cost of property, facilities and equipment and intangible assets, without revaluation at each balance sheet date;

3.6. Accounting principles, rules and methods

Accounting principles, rules and methods are presented in a text box at the beginning of each of the corresponding notes.

4. Changes in methods

IFRS 16

The Group adopted IFRS 16 – *Leases* for the first time on 1 January 2019. This new standard, approved by Regulation (EU) 2017/1986 of 31 October 2017 and published in the JOUE on 9 November 2017, replaces IAS 17 – *Leases* and the corresponding interpretations (IFRIC 4 – *Determining when an Arrangement Contains a Lease*, SIC 15 – *Operating Leases – Incentives* and SIC 27 – *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*).

The most significant change introduced by IFRS 16 is the removal of the distinction between an operating lease and a finance lease in the financial statements of lessees: the new standard treats all leases as finance leases. However, leases of 12 months or less at 1 January 2019 and leases where the underlying asset has a low value are not covered by these new provisions, and are thus treated as operating leases (with a lease expense recognised in the income statement). Furthermore, the Group has opted not to apply the new standard to leases on intangible assets (brands, licences, software, etc.).

The key impacts on the consolidated financial statements are therefore as follows, for leases covered by the new standard where the Group is the lessee and which are currently classed as operating leases:

- on the balance sheet, an increase in “rights-of-use assets” (notably including initial measurement of the “lease liability”) in assets and “lease liabilities” (corresponding to the present value of lease payments not yet paid) in liabilities;
- in the income statement, the removal of rental expenses and their replacement by amortisation expenses (“right-of-use assets”) and interest expenses (on “lease liabilities”).

The Group has opted to apply the modified retrospective method at 1 January 2019 and recognises the cumulative impact on equity of first-time adoption of this new standard at that date, without restating comparative information.

At Group level, the provisions of the new standards notably have a material impact on property leases.

The impacts of the application of IFRS 16 on the opening balance sheet at 1 January 2019 are broken down as follows:

	Impacts of IFRS 16
Right-of-use assets	48.8
Deferred tax assets	0.3
TOTAL ASSETS - OPENING BALANCE	49.1
Consolidated reserves	(0.6)
Non-current lease liabilities	46.4
Current lease liabilities	7.4
Trade payables	(4.2)
TOTAL LIABILITIES - CLOSING BALANCE	49.1

- Measurement of the lease liability:

At 1 January 2019, the lease liability is recognised at the present value of payments over the remaining term of the lease. These payments are discounted using the interest rate implicit in the lease where this is easily determined or, failing that, the lessee’s incremental borrowing rate.

- Measurement of the right-of-use asset:

- Approach for lease liabilities under €3.0 million: the value of the right-of-use asset at 1 January 2019 is equal to the amount of the liability.

- Approach for lease liabilities over €3.0 million: the value of the right-of-use asset differs from the amount of the liability. The impact of the adjustment in the asset is calculated from the outset of the lease, not at 1 January 2019. The difference between the right-of-use asset and the lease liability is recognised in consolidated reserves. This difference corresponds to the timing effect of the lease (arising from the discounting and indexing of the liability).

For financial year 2019, the impacts of the application of IFRS 16 on key items in the consolidated income statement are as follows:

	31/12/2019	Impacts of IFRS 16	31/12/2019 IAS 17
<i>Materials and other operating expenses (removal of lease payments)</i>	(715.8)	8.7	(724.5)
<i>Depreciation charge of right-of-use assets</i>	(7.6)	(7.6)	-
Operating profit	276.0	1.1	274.9
<i>Lease liability interest expense</i>	(0.9)	(0.9)	-
Net financial income/(expense)	(4.6)	(0.9)	(3.8)
Income tax	(101.8)	(0.1)	(101.9)
NET PROFIT FOR THE YEAR	172.7	0.2	172.5

IFRIC 23

The Group adopted IFRIC 23 – *Uncertainty over Income Tax Treatments* for the first time on 1 January 2019. This new interpretation clarifies how the provisions of IAS 12 – *Income taxes* on recognition and measurement should be applied when there is uncertainty over tax treatments.

The Group has applied the provisions of IFRIC 23 with effect from 1 January 2019 using the modified retrospective method, without restating comparative information.

As a result of initial application of IFRIC 23, which has no impact on the Group’s equity at that date, income tax provisions have been reclassified partly as tax and social security liabilities and partly as income tax payable. At 31 December 2019, these reclassified amounts totalled €1.8 million and €1.6 million respectively.

5. Business combinations / Changes in the scope of consolidation

Accounting principles, rules and methods:

Subsidiaries

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the entity's financial and operating policies in order to derive benefits from its operations. Potential voting rights currently exercisable are taken into consideration to evidence the existence of control.

Companies exclusively controlled by Métropole Télévision are fully consolidated. Acquisitions or disposals of companies during an accounting period are taken into account in the consolidated financial statements from the date of taking control and until the date of effective loss of control. The full consolidation method implemented is that under which the assets, liabilities, income and expenses are entirely consolidated.

The proportion of net assets and net profit attributable to minority shareholders is presented separately as non-controlling interest in shareholders' equity in the consolidated balance sheet and in the consolidated income statement.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method on the acquisition date, which is the date control is transferred to the Group.

✓ In relation to acquisitions carried out since 1 January 2010, the Group applied revised IFRS 3 – *Business Combinations*, as well as revised IAS 27 – *Consolidated and Separate Financial Statements*.

Business combinations are now accounted for as follows:

- The identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date;
- Investments that do not result in control over the company acquired (non-controlling interests) are measured either at fair value or at the non-controlling interests' proportionate share of the acquired company's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis;
- Acquisition-related costs are recognised in profit or loss as incurred;
- Potential restatements of the price of business combinations are measured at fair value on the acquisition date. After the acquisition date, the price restatement is measured at fair value at each balance sheet date;
- After a period of one year with effect from the acquisition date, any change in the fair value of assets acquired and liabilities assumed, together with any potential price adjustments, are recognised in income. Within this first-year timeframe, fair value changes explicitly related to events occurring after the acquisition date are also recognised in profit or loss. Other changes are offset against goodwill.
- In the case of business combinations under joint control, the Group has chosen the acquisition method in accordance with IFRS 3 Revised. This accounting method will be applied to all future business combinations under joint control in a consistent manner.
- On the acquisition date, goodwill is measured as the excess of:
 - The fair value of the consideration transferred, increased by the value of non-controlling interests in the entity acquired and, within the framework of a staged business combination, the fair value on the acquisition date of the equity interest previously held by the acquirer in the entity acquired, thus restated through profit or loss, and
 - Over the net value of the identifiable assets acquired, and the liabilities assumed on the acquisition date at fair value.
- Commitments to purchase non-controlling interests, granted by the Group to minority shareholders, are recognised at their fair value under other financial liabilities and offset under equity. Under equity, these are deducted from non-controlling interests at the book value of the securities subject to the commitment, with the balance being deducted from the Group share of equity, pursuant to the provisions of IFRS 10 - *Consolidated Financial Statements*. Any subsequent change in the fair value of these financial liabilities is recognised in consolidated equity.
- When additional securities are acquired in an entity over which exclusive control is already being exercised, the excess of the acquisition price of the securities over the additional proportion of consolidated equity acquired is recognised under equity - Group share, with the consolidated value of identifiable assets and liabilities of the subsidiary, including goodwill, remaining unchanged.

✓ Business combinations carried out between 1 January 2004 and 1 January 2010 remain accounted for in accordance with IFRS 3 – *Business Combinations*: Within this framework, goodwill represents the difference between the acquisition price, plus related expenses, of the shares of consolidated entities and the Group share of the fair value of their net assets, less any contingent liabilities at the date of investment. The evaluation period for this fair value may be up to 12 months following the acquisition. When the acquisition price, together with related expenses, is less than the fair value of the identified assets and liabilities and contingent liabilities acquired, the difference is immediately recognised in the income statement.

✓ Once allocated to each of the Cash Generating Units, goodwill is not amortised. It is subject to impairment tests from the point of indication of impairment, and as a minimum, once a year (see Note 15).

✓ In connection with its transition to IFRS in 2005, the Group adopted the option provided by IFRS 1 – *First-Time Adoption of IFRS* not to restate business combinations prior to 1 January 2004 which did not comply with the recommendations of IFRS 3 – *Business Combinations*.

Goodwill recorded prior to 1 January 2004 has been frozen at its book value at this date and will no longer be amortised as from this date.

Goodwill is valued at cost (on allocation of the price of the business combination), less cumulative impairment.

5.1. Acquisitions during the financial year

Youth TV Division



On 2 September 2019, the M6 Group, through its subsidiary M6 Thématique, acquired in full Jeunesse TV, Lagardère Thématiques (renamed Jeunesse Thématiques) and LTI Vostok, which together made up the Youth TV division of the Lagardère Group.

The acquisition price used to prepare the Group's consolidated financial statements for the year ended 31 December 2019 was €223.6 million. The acquisition costs amounted to €0.5 million for the 2019 financial year. This acquisition has been treated as a business combination in accordance with revised IFRS 3. It was financed by issuing a €75.0 million Schuldschein loan and drawing further on credit lines taken out in September 2018.

The revenues and profit from recurring operations generated by the Youth TV Division in 2019 amounted to €90.4 million and €17.5 million respectively.

The Youth TV Division's contribution to consolidated net profit for the 2019 financial year was as follows:

	31/12/2019
REVENUE	46.4
Other operating revenues	0.3
TOTAL OPERATING REVENUES	46.7
Materials and other operating expenses	(21.7)
Personnel costs (including profit sharing plan contributions)	(5.3)
Taxes and duties	(2.0)
Amortisation, depreciation and impairment charges (net of reversals)	(0.5)
PROFIT FROM RECURRING OPERATIONS [EBITA]*	17.2
Operating income and expenses related to business combinations	-
OPERATING PROFIT [EBIT]	17.2
NET FINANCIAL INCOME/(EXPENSE)	0.4
Share of profit of joint ventures and associates	-
PROFIT BEFORE TAX	17.6
Income tax	(5.3)
NET PROFIT FOR THE YEAR	12.2

The financial position of the Youth TV division acquired on 2 September 2019 was as follows:

	02/09/2019
Non-current assets	2.4
Current assets	52.6
Cash and cash equivalents	9.6
TOTAL ASSETS	64.6
Shareholders' equity	30.5
Non-current liabilities	1.8
Current liabilities	32.3
TOTAL EQUITY AND LIABILITIES	64.6

The provisional allocation of the acquisition cost of companies in the Youth TV Division is analysed as follows:

	31/12/2019
Acquisition cost	223.6
Restated net book value of assets acquired	30.5
Fair value adjustment of assets acquired and liabilities assumed	-
Provisional goodwill	193.1

The final allocation work on the acquisition price will be performed during financial year 2020.

5.2. Disposals during the financial year

- On 24 July 2019, M6 Interactions sold its 49% stake in the music production and publishing company 6&7.

- On 16 December 2019, the Group announced that it was in exclusive talks with German group Global Savings Group (GSG), a major global player in digital marketing, with a view to a tie-up with the Group's iGraal subsidiary, leader in the French cash-back market (see Note 11 – *Operations held for sale/sold*).

5.3. Other changes in the scope of consolidation

The Group's consolidation scope also changed over the 2019 financial year as follows:

- The commitment to purchase the 49% of iGraal held by minority shareholders was fulfilled on 1 January 2019;
- M6's stake in Life TV decreased from 33% to 12.5% on 21 March 2019;
- M6 Publicité acquired a 40% stake in Wild Buzz Agency on 23 May 2019;
- M6 acquired a 33^{1/3}% stake in Salto and Salto Gestion on 12 August 2019, after the Competition Authority authorised plans for a joint platform with the TF1 and France Télévisions groups.

Furthermore:

- Distribution of the Group's non-linear channels and services, and development and operation of the 6play technical platform, were transferred from M6 Digital Services to M6 Distribution on 1 January 2019;
- SNC, SNC Catalogue MC, SNC Audiovisuel FF and Les Films de la Suane merged to form Société Nouvelle de Distribution on 1 January 2019;
- The Radins.com business was transferred from M6 Digital Services to iGraal on 1 January 2019;
- On 28 October 2019, T-Commerce became M6 Distribution Digital, and M6 Distribution became Bedrock;
- Distribution of the Group's non-linear channels and services was transferred from Bedrock to M6 Distribution Digital on 1 December 2019, with retroactive effect from 30 June 2019.

5.4. Follow-up on acquisitions and disposals carried out in 2018

Altima Hosting (renamed M6 Hosting)

The Group had acquired the entire capital of Altima Hosting during the 2018 financial year. The final goodwill amounted to €2.2 million at 31 December 2019.

Ctzar and Sociaddict

During financial year 2018, the Group had acquired a 51% majority stake in Ctzar. The final goodwill amounted to €4.1 million at 31 December 2019.

Football Club des Girondins de Bordeaux

On 6 November 2018, the Group finalised the disposal of Football Club des Girondins de Bordeaux and all its subsidiaries (Girondins division). In accordance with the provisions of IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*, the Girondins division was presented as an operation sold in the consolidated statement of comprehensive income and in the consolidated cash flow statement for the 2018 financial year.

The €1.4 million shortfall between the estimated selling price of the Girondins business at 31 December 2018 and its adjusted selling price at 31 December 2019 is recognised in the 2019 statement of comprehensive income under "Net profit/(loss) from operations sold".

6. Segment reporting

The internal management reporting prepared on a monthly basis and communicated to the principal operational decision-maker, i.e. the Executive Board, as well as to other operational decision makers is based on the Group's operating segments.

Revenue and EBITA, defined as operating profit before income and expenses relating to business combinations and proceeds from the disposal of subsidiaries and investments, are the most closely monitored performance indicators. Capital employed and investments made by each segment are also analysed on a regular basis in order to assess the profitability of resources allocated to each segment and make decisions about the future investment policy.

Over recent years, M6 Group has adapted its operational structure according to the markets in which it carries out its different activities.

The operating segments presented are as follows:

Television

The segment features a high degree of pooling between the various Group channels (acquisitions, technical resources, broadcasting, etc.). It includes free-to-air channels (M6, W9, 6TER and Gulli) and pay channels (Paris Première, Téva, M6 Music, Série Club, Tiji, Canal J, RFM TV, MCM and MCM Top), whose business model is based on mixed funding (advertising and payments from platforms that distribute these channels as part of packages broadcast via IPTV, cable or satellite).

This sector also includes all primarily related activities, such as the operation of the 6play technical platform and the sales house.

Radio

The segment includes the radio stations (RTL, RTL2 and Fun Radio), where the business model is entirely funded by advertising, as well as all the activities that are to a large extent related to it, such as the sales house.

Production and Audiovisual Rights

Apart from production and co-production activities (cinema, TV and Internet), this operational sector includes operations relating to the distribution of audiovisual film rights throughout their consumer-based (cinema, sale of physical and digital videos), and subsequently their professional-based (distribution of the rights portfolio to national free-to-air and pay-TV channels and international distribution) operating cycles.

Diversification

This segment includes all activities considered independent, in part or in full, from the TV channel broadcasting business. Their main features notably include the distribution of physical or intangible goods to consumers, merchandise inventory building, buying and reselling and event organisation.

Revenues primarily originate from sales to consumers and admissions. The contribution of advertising revenue from the Group's websites, although remaining marginal for this segment, is growing rapidly.

Eliminations and unallocated items relate to the cost of the share purchase and subscription plans, the cost of the performance share allocation plans, the net profit of property companies and dormant companies, as well as unallocated consolidation restatements primarily corresponding to the elimination of intra-Group gains on the disposal of non-current assets or inventories.

Income statement

Accounting principles, rules and methods:

Revenue

The Group has been applying IFRS 15 – *Revenue from Contracts with Customers* since 1 January 2018.

The fundamental principle of this standard is that revenue recognition must reflect the transfer of promised goods and services to customers in an amount that reflects the consideration to which the seller expects to be entitled.

The transfer of goods and services must reflect the transfer of control to the customer. This may happen at a given date (e.g. when goods are delivered) or over a given period (e.g. as and when a service is provided or an asset is constructed).

The five steps required for the recognition of revenue are as follows:

- *Identification of contract(s) with a customer*

Under IFRS 15, a contract is an agreement between two or more parties that creates enforceable rights and obligations.

The standard also specifies the conditions under which multiple contracts must be combined and recognised as a single contract, as well as how contract modifications should be recognised (as a separate contract or a modification to the original contract).

- *Identification of the various separate performance obligations in the contract*

A performance obligation is a promise to provide the customer with a good or service (or a bundle of goods or services) considered distinct from other goods or services promised under the contract.

The standard specifies the criteria that must be met in order for a promise to transfer goods or services to be considered distinct.

This step of identifying the performance obligations in a contract is very important insofar as it affects in particular how the transaction price is allocated to the various performance obligations, as well as when contract revenue is recognised, with different performance obligations potentially being satisfied at different times.

- *Determination of the transaction price*

The transaction price is the amount of consideration (including variable and non-cash consideration) to which the seller expects to be entitled in exchange for transferring promised goods or services to a customer.

- *Allocation of the transaction price to the various performance obligations in the contract*

The aim here is to allocate to each distinct performance obligation an amount that reflects the amount of consideration to which the seller expects to be entitled in exchange for transferring the promised goods or services to the customer.

Generally speaking, this allocation should be based on standalone selling prices for each distinct good or service.

- *Recognition of revenue when (or as) the entity satisfies a performance obligation.*

In the vast majority of cases, the seller must recognise revenue when (or as) it satisfies a performance obligation by transferring the promised good or service to the customer.

Revenue is thus recognised either at a given date or over a given period.

More specifically, the general revenue recognition principles per activity are as follows:

- advertising revenues are recorded as the advertisements and commercials which are the subject of the sale are broadcast; revenue is recognised net of commercial rebates in accordance with the general and special terms and conditions, which results in the issuance of current and year-end credit notes;
- remuneration of digital channels granted by cable and satellite broadcast operators that broadcast them are calculated on a per subscription basis or at an annual set price;

- diversification activities revenues are recognised on the provision of the service or delivery of the products; they are recognised net of provisions for returns. Where the Group acts as an agent instead of a principal in a transaction, recognised revenue corresponds to the net value of commissions received by the Group;
Concerning the sale of content, and specifically the income relating to licences granted as part of M6's merchandising business and promotional activities, the issue here is to determine whether this income consists in granting customers rights to access the intellectual property as it exists throughout the period covered by the licenses, or rather rights to use the intellectual property as it exists at the exact time when the licences are granted. In the first case, the revenues are spread over the term of the licences granted (recognition over time), whereas in the second case, the revenues are recognised in full at the date when the licences are granted (recognition at a point in time);
- sales of audiovisual rights are recognised at the opening date of the rights, essentially within the framework of television sales; other sales (cinema, video) are recognised on admission or on delivery of the material. In the latter case (licences with fees based on sales or usage), there may thus be a difference between the point at which the performance obligation is satisfied (e.g. when the right to sell cinema tickets begins) and the point at which revenue is recognised (e.g. as entry tickets are sold by the cinema operator). However, the effects of such timing differences are not material and therefore do not require a special mention in the notes to the consolidated financial statements.

The contribution of each business segment to the income statement is detailed below:

In 2018:

	Television	Radio	Production and Audiovisual Rights	Diversification	Eliminations and unallocated items	Total 31/12/2018
External revenue	966.5	167.0	76.5	211.1	0.3	1,421.4
Inter-segment revenue	21.9	1.4	74.6	2.3	(100.2)	-
Revenue	988.4	168.4	151.0	213.4	(99.9)	1,421.4
Profit from recurring operations (EBITA) of continuing operations	214.0	28.0	8.7	25.1	(9.6)	266.1
Operating income and expenses related to business combinations		(0.9)	(1.5)	(1.0)		(3.4)
Income from disposal of subsidiaries and investments				12.3		12.3
Operating profit (EBIT) from continuing operations						275.0
Net financial income/(expense)						(2.3)
Share of profit of joint ventures and associates						(0.8)
Profit before tax (EBT) from continuing operations						272.0
Income tax						(97.4)
Net profit from continuing operations						174.5
Net profit of operations sold						7.3
Net profit for the year						181.8
attributable to the Group						181.8
attributable to non-controlling interests						0.0

In 2019:

	Television	Radio	Production and Audiovisual Rights	Diversification	Eliminations and unallocated items	Total 31/12/2019
External revenue	1,013.6	171.0	75.1	196.1	0.3	1,456.1
Inter-segment revenue	15.2	1.4	67.9	0.6	(85.1)	-
Revenue	1,028.8	172.3	143.1	196.7	(84.7)	1,456.1
Profit from recurring operations (EBITA) of continuing operations	223.6	30.1	14.8	25.3	(9.4)	284.4
Operating income and expenses related to business combinations		(0.7)	(7.8)	(0.9)	-	(9.4)
Income from disposal of subsidiaries and investments				0.6	0.4	1.0
Operating profit (EBIT) from continuing operations						276.0
Net financial income/(expense)						(4.6)
Share of profit of joint ventures and associates						4.5
Profit before tax (EBT) from continuing operations						275.9
Income tax						(101.8)
Net profit from continuing operations						174.0
Net profit of operations sold						(1.4)
Net profit for the year						172.7
attributable to the Group						172.7
attributable to non-controlling interests						-

The Group does not present any segmental information by geographical segment as it has no significant operations outside of mainland France.

7. Other operating income and expenses

7.1. Other operating revenues

Other operating revenues totalled €5.8 million (compared with €14.7 million in 2018), and primarily comprised:

- Operating grants received of €2.8 million, compared with €6.9 million in 2018;
- research tax credits of €1.2 million, compared with €4.5 million in 2018 under the CICE (tax credit aimed at encouraging business competitiveness and employment).

7.2. Materials and other operating expenses

	31/12/2019	31/12/2018
Broadcasting rights consumption and programme flows (including writedown of broadcasting rights inventory)	(230.4)	(261.7)
Cost of sales	(42.7)	(48.3)
Other external services	(442.3)	(399.6)
Operating foreign exchange losses	(0.0)	(0.1)
Other expenses	(0.4)	(1.4)
MATERIALS AND OTHER OPERATING EXPENSES	(715.8)	(711.0)

7.3. Employee and workforce expenses

	31/12/2019	31/12/2018
Wages and salaries	(164.9)	(161.4)
Social security charges	(69.9)	(75.0)
Profit sharing plan contributions	(18.5)	(18.8)
Other employee costs	(27.1)	(24.4)
EMPLOYEE COSTS	(280.4)	(279.6)

Other employee costs include provision charges and reversals for retirement, provisions for employee litigations, as well as the cost of the IFRS 2 charge.

"Full Time Equivalent" (FTE) workforce is broken down as follows:

	31/12/2019	31/12/2018
Fully consolidated companies	2,606	2,639
Joint ventures	-	-

The "full time equivalent" (FTE) workforce by category can be analysed as follows:

	31/12/2019	31/12/2018
Employees	22%	23%
Managers	49%	47%
Senior executives	2%	2%
Journalists	11%	11%
Event contract workers	16%	17%
TOTAL	100%	100%

7.4. Amortisation, depreciation and impairment charges

	31/12/2019	31/12/2018
Amortisation and net provisions - audiovisual rights	(66.7)	(74.0)
Amortisation and net provisions - other intangible assets	(16.1)	(15.0)
Amortisation and net provisions - other intangible assets	(13.9)	(14.4)
Depreciation - property, facilities and equipment	(14.8)	(15.0)
Depreciation of right-of-use assets	(7.6)	-
Other	(2.8)	(1.8)
Impairment of unamortised intangible assets	-	(0.9)
TOTAL AMORTISATION AND DEPRECIATION (NET)	(122.0)	(121.0)

8. Share-based payments

Accounting principles, rules and methods:

Since 2009, M6 Group has been implementing performance share allocation plans for the benefit of its personnel. In compliance with IFRS 2 - *Share-Based Payments*, personnel remuneration items paid in equity instruments are recognised as personnel costs in the income statement and offset against equity.

The total initial cost is estimated to be the market value of the M6 share on the date of allocation less dividends expected during the vesting period. This cost is posted to the income statement and spread over the same vesting period.

Plans allocated in 2019

Pursuant to the authorisation granted by the Combined General Meeting of 25 April 2019, two allocations of performance shares were decided by the Executive Board on 30 July 2019, following approval by the Supervisory Board on 30 July 2019:

- One plan involves 167 beneficiaries and covers 298,167 shares, subject to beneficiaries remaining employed by the Group at 30 July 2021 and the achievement of consolidated net profit objectives in 2019;
- Another plan involves 31 beneficiaries and covers 246,500 shares. It is allocated annually based on performance and employment conditions over the 2019-2020-2021 period;

Valuation at fair value of benefits granted to employees

The fair value of performance shares granted is based on the value of the share at date of grant less the current value of future dividends estimated for the period of unavailability.

Features of plans and fair value of benefits granted

The principal features of performance share plans outstanding at 31 December 2019, or which expired during the year, and for which a valuation of the fair value of the benefit granted to employees was carried out pursuant to IFRS 1 - *First-time adoption of IFRS*, are as follows:

	Reference price	Exercise price	Historic volatility	Risk-free rate (*)	Expected yield	Fair value
Plans granting performance shares						
27/07/2017	20.59	N/A	N/A	-0.17%	4.31%	18.82
02/10/2017	20.59	N/A	N/A	-0.17%	4.31%	18.82
25/07/2018	16.92	N/A	N/A	-0.10%	5.66%	14.97
30/07/2019	15.35	N/A	N/A	-0.30%	6.97%	13.23

(*) Risk-free rate: specified term after 2 years

The maturity used corresponds to the vesting period (2 years or 2 years and 8 months) for all plans granting performance shares. In addition, it is assumed, based on historical observations, that 5 to 10% of the shares will not be delivered due to the departure of beneficiaries during the vesting period.

During the financial year, the balance of shares granted changed as follows:

	Allocation at plan date	Maximum allocation	Balance at 31/12/2018	Change based on performance	Allocated	Delivered	Cancelled	Balance at 31/12/2019
Plans granting performance shares	1,638,951	1,638,951	1,083,884	-	544,667	(287,600)	(38,456)	1,302,495
27/07/2017	217,667	217,667	217,667	-	-	-	-	217,667
27/07/2017	307,200	307,200	296,800	-	-	(287,600)	(9,200)	-
02/10/2017	8,917	8,917	8,917	-	-	-	-	8,917
25/07/2018	313,400	313,400	313,400	-	-	-	(22,200)	291,200
25/07/2018	247,100	247,100	247,100	-	-	-	(6,056)	241,044
30/07/2019	298,167	298,167	-	-	298,167	-	(1,000)	297,167
30/07/2019	246,500	246,500	-	-	246,500	-	-	246,500

The cancellations recorded during the financial year are due to beneficiaries leaving before the exercise period of their rights began. They may also be due to non-achievement of financial performance targets set on allocating the plans.

Data relating to the performance share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2017, 2018 and 2019 plans.

Charges recognised in 2019

In light of the data set out above and the assessment of the charge resulting from the performance share allocation plans based on the number of shares likely to be granted, this resulted in the following impact to the line “Personnel costs” in the income statement:

Plans granting performance shares	Employee costs	
	31/12/2019	31/12/2018
28/07/2016	-	(3.8)
27/07/2017	(3.2)	(4.0)
02/10/2017	(0.1)	(0.1)
25/07/2018	(3.4)	(1.4)
30/07/2019	(1.2)	-
TOTAL COST	(7.9)	(9.4)

9. Net financial income/(expense)

	31/12/2019	31/12/2018
Investment income	0.2	0.2
Other interest income	0.0	0.3
Revaluation of derivative financial instruments	0.2	0.1
Net financial income	0.4	0.6
Interest on loans from banks and associates	(2.0)	(0.8)
Lease liability interest expense	(0.9)	-
Capitalised interest on pension	(0.5)	(0.7)
Revaluation of derivative financial instruments	(0.2)	(0.2)
Financial expense	(3.6)	(1.7)
Other financial items	(1.4)	(1.2)
NET FINANCIAL INCOME/(EXPENSE)	(4.6)	(2.3)

Interest on loans from banks and associates totalled €2.0 million at 31 December 2019, mainly consisting of interest on the €50.0 million bond issued in 2017 to finance the purchase of RTL Group’s Radio division and interest on the €75.0 million Schuldschein loan arranged in the second half of 2019 to finance the acquisition of the Youth TV division. Average debt across financial year 2019 came out at €104.4 million, giving an average debt ratio for the year of 1.12%, compared with €82.0 million and 1.23% in 2018.

Interest on lease liabilities corresponds to the unwinding of the discount on liabilities recognised under IFRS 16 (see Note 4 – *Changes in methods*).

Other financial expenses mainly consist of the effects of stating financial assets and liabilities at fair value (equity instruments at fair value through profit or loss and earn-outs).

10. Income tax

Accounting principles, rules and methods:

Income tax includes current tax and deferred tax charges. Tax is recognised against profit and loss except where it relates to items directly recognised as other items of comprehensive income or under equity, in which case it is recognised under equity as other items of comprehensive income or under equity.

Current tax is the estimated amount of income tax payable in respect of the taxable income of a period, measured using taxation rates adopted or virtually adopted at the balance sheet date, before any adjustment of current tax payable in respect of previous periods.

Since the 2010 financial year, pursuant to the provisions of IAS 12 - *Income Taxes*, the Group has reclassified the CVAE tax as income tax.

Deferred tax is measured and recognised according to the liability method balance sheet approach for all temporary differences between the book value of assets and liabilities and their tax base.

As such, a deferred tax asset is recognised when the tax base value is greater than the book value (expected future tax saving); a deferred tax liability is recognised when the tax base value is lower than the book value (expected future tax charge).

However, the following items do not give rise to the recognition of deferred tax:

- the initial recognition of an asset or liability as part of a transaction that is not a business combination and that affects neither book profit nor taxable profit;
- temporary differences, to the extent that they may not be reversed in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that the Group will generate sufficient taxable profit in the future against which corresponding temporary differences may be offset. Deferred tax assets are recognised to the extent that it is probable that the Group will generate sufficient taxable profit in the future against which corresponding temporary differences may be offset.

Recognised deferred tax assets reflect the best estimate of the schedule of taxable temporary difference reversal and realisation of future taxable profits in the tax jurisdictions concerned. These future taxable profit forecasts are consistent with business and profitability assumptions used in budgets and plans and other forecast data used to value other balance sheet items.

Deferred tax assets and liabilities are valued at the income tax rate expected to apply to the period in which the asset will be realised or the liability settled, based on tax regulations that have been adopted or virtually adopted at the balance sheet date.

In accordance with IAS 12 - *Income Taxes*, deferred tax assets and liabilities are not discounted and are offset if a legally enforceable right to offset current tax assets and liabilities exists and if it concerns income tax collected by the same tax authority, either from the same taxable entity or from different taxable entities, which intend to settle current tax assets and liabilities based on their net value or to realise the assets and pay the tax liabilities at the same time.

The components of income tax are as follows:

	31/12/2019	31/12/2018
Current income tax:		
Tax charge for the year	(100.7)	(92.7)
Deferred tax:		
Creation and reversal of temporary differences	(1.2)	(4.7)
TOTAL	(101.8)	(97.4)

The corporate income tax rate for financial year 2019 is 34.43% (corresponding to the normal corporate income tax rate of 33^{1/3}% plus the additional 3.3% contribution) for companies included in the French tax consolidation group, unchanged from 2018.

In accordance with the provisions of the Budget Act for 2019, timing differences for French entities are recognised using a declining tax rate.

The rates used range from 32.02% (for timing differences to be reversed by 31 December 2020) to 25.83% (for timing differences to be reversed after 31 December 2022).

Deferred tax directly taken to items of other comprehensive income was as follows:

	31/12/2019	Change	31/12/2018
Fair value revaluation of foreign exchange contracts (cash flow hedges)	0.0	0.1	(0.0)
Actuarial gains and losses	2.7	1.2	1.5
Treasury shares forward purchase	2.9	0.1	2.8
TOTAL	5.6	1.4	4.2

The reconciliation between the income tax charge calculated by applying the applicable rate to profit before tax and the charge calculated by applying the Group's actual tax rate is as follows:

	31/12/2019	31/12/2018
Net profit - Group share	172.7	181.8
Non-controlling interests	-	0.0
Net profit/(loss) from operations sold	(1.4)	7.3
Income tax	(101.8)	(97.4)
Share of profit of joint ventures and associates	2.2	1.5
Income and expenses related to business combinations	(0.3)	(0.6)
Goodwill impairment	2.2	(3.1)
Cost of performance shares (IFRS 2)	(7.9)	(9.4)
Profit from continuing operations before restated income tax	279.6	283.6
Theoretical standard tax rate	34.43%	34.43%
Theoretical tax charge	(96.3)	(97.6)
Reconciling items:		
C.V.A.E. tax	(6.8)	(6.8)
3% tax on dividends ⁽¹⁾	-	2.8
Capital gain on disposals taxed at the reduced rate	0.3	3.5
Other differences	0.9	0.7
EFFECTIVE TAX CHARGE	(101.8)	(97.4)
Effective tax rate	36.41%	34.35%

⁽¹⁾ Tax income of €2.8 million recognised in 2018 consisted of late payment interest received in respect of reimbursement of the tax on dividends.

The sources of deferred tax were as follows:

	31/12/2019	31/12/2018
Deferred tax assets		
Intangible assets	1.1	1.4
Other assets	5.3	6.9
Retirement provisions (non-deductible)	11.8	10.1
Non-deductible provisions	9.8	11.7
Lease liabilities	13.9	-
Expenses payable non-deductible	4.2	4.8
Financial instruments	2.9	2.8
Losses brought forward	6.3	3.7
Other	4.9	0.6
Impact of offsetting deferred tax assets and liabilities on the balance sheet	(35.8)	(25.8)
TOTAL	24.5	16.2
Deferred tax liabilities		
Catalogues	(5.0)	(9.4)
Brands	(0.7)	(1.5)
Licences - Relationships with advertisers - Radio brand	(11.7)	(11.9)
Accelerated depreciation and amortisation	(5.5)	(6.3)
Writedown of treasury shares	(4.6)	(3.4)
Right-of-use assets	(12.3)	-
Other	(6.2)	(3.6)
Impact of offsetting deferred tax assets and liabilities on the balance sheet	35.8	25.8
TOTAL	(10.1)	(10.2)

The deferred tax assets and liabilities of companies included in the tax consolidation were offset.

The cumulative losses brought forward of Group companies were €28.3 million at 31 December 2019.

The losses that were capitalised as deferred tax assets amounted to €22.9 million at 31 December 2019.

At 31 December 2019, no deferred tax liability was recognised for taxes which may be due on the undistributed profits of certain Group subsidiaries, associated companies or joint ventures.

11. Operations held for sale / sold

Accounting principles, rules and methods:

When the Group is committed to a planned sale that implies the loss of control over one of its assets, all assets and liabilities of the entity in question are reclassified under two separate items in the consolidated statement of financial position: “Assets held for sale” and “Liabilities associated with asset held for sale”.

In addition, an operation is qualified as discontinued or held for sale when it represents a separate major line of business for the Group and the criteria for classification as an asset held for sale have been met, or when the Group has sold the asset. Discontinued operations or operations held for sale are reported on a single line of the income statement for the periods reported, comprising the net profit of discontinued operations or operations held for sale until disposal and the gain or loss after tax on disposal or fair value measurement less the selling costs of the assets and liabilities of the discontinued operations or operations held for sale. In addition, cash flows generated by discontinued operations or operations held for sale are reported on a separate line of the consolidated statement of cash flows for the relevant periods.

Pursuant to IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*, and in light of their sale to US investment fund General American Capital Partners (GACP) on 6 November 2018, Football Club des Girondins de Bordeaux and its subsidiaries (Girondins division) are shown in the consolidated statement of comprehensive income and the consolidated statement of cash flows as an operation sold.

Post-tax profit or loss for the Girondins division (which accounts for the whole of the “Net profit/(loss) from operations sold” item in the income statement) is broken down as follows:

	31/12/2019	31/12/2018
Revenue	-	59.7
Other operating revenues	-	39.2
Operating expenses	-	(93.1)
Income tax	-	(3.1)
Net tax income or loss on operations	-	2.7
Other financial income and expenses, after tax	-	(0.2)
Capital gain on disposal	(1.3)	4.9
Income tax	(0.1)	-
NET PROFIT/(LOSS) FROM OPERATIONS SOLD	(1.4)	7.3

The €1.4 million expense recognised at 31 December 2019 corresponds to the difference between the estimated selling price of the Girondins business at 31 December 2018 and its adjusted selling price at 31 December 2019.

Furthermore, on 16 December 2019 the Group announced that it was in exclusive talks with German group Global Savings Group (GSG), a major global player in digital marketing, with a view to a combination with the Group’s iGraal subsidiary, leader in the French cash-back market.

Pursuant to the provisions of IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*, iGraal’s assets and liabilities are presented as “assets held for sale” and “liabilities associated with assets held for sale” respectively in the consolidated statement of financial position at 31 December 2019. iGraal’s contributions to consolidated 2019 revenue and profit from recurring operations totalled €39.1 million and €8.1 million respectively.

The components reported in the specific asset and liability items in the consolidated statement of financial position are analysed as follows:

	31/12/2019
Assets	
Intangible assets	21.2
Property, facilities and equipment	0.1
Non-current financial assets	2.1
Other non-current assets	0.6
Other current assets	24.4
Cash and cash equivalents	0.8
Total assets held for sale	49.2
Liabilities	
Non-current liabilities	0.3
Current liabilities	29.5
Total liabilities associated with assets held for sale	29.8

12. Earnings per share

Accounting principles, rules and methods:

In accordance with the recommendations of IAS 33 - *Earnings Per Share*, basic earnings per share is determined by dividing the net profit attributable to Group shareholders by the weighted average number of ordinary shares outstanding during the period.

The dilutive effect of performance share allocation plans to be settled by the delivery of shares and in the process of being acquired is reflected in the calculation of diluted earnings per share.

Diluted earnings per share is calculated using net profit attributable to equity holders of the parent company and the weighted average number of outstanding shares, restated for the effects of all potentially dilutive ordinary shares.

The number of shares having a dilutive effect is determined on a plan by plan basis. This number is calculated by comparing the issue price of performance shares granted and the market value of the share during the period. In the case of performance shares, the issue price corresponds to the fair value of services still to be provided.

	31/12/2019	31/12/2018
Net profit attributable to shareholders	172.7	181.8
Profit / (loss) from operations sold attributable to shareholders	(1.4)	7.3
Net profit from continuing operations attributable to shareholders	174.0	174.5
Average weighted number of shares (excluding treasury shares) for basic earnings per share	125,728,810	125,989,249
Potential dilutive effect of share-based payments	753,602	467,110
Average weighted number of shares (excluding treasury shares) adjusted for dilutive effect*	126,482,412	126,456,359
Earnings per share (€)	1.373	1.443
Earnings per share from continuing operations (€)	1.384	1.385
Diluted earnings per share (€)	1.365	1.438
Diluted earnings per share from continuing operations (€)	1.376	1.380

* Only includes dilutive shares (with regard to prevailing market conditions at year-end).

The calculation of diluted earnings per ordinary share takes into account the performance shares granted by the plans of 27 July 2017, 02 October 2017, 25 July 2018 and 30 July 2019.

The number of shares with a potential dilutive impact was 753,602 at December 31, 2019, with a dilutive effect on EPS of 0.8 euro cent per share.

13. Dividends

Métropole Télévision	31/12/2019	31/12/2018
Declared and paid during the year	125.8	119.6
Number of outstanding shares (thousands)	125,751	125,932
Dividend paid per ordinary share (€)	1.00	0.95
Proposed for approval at AGM	125.7	125.7
Number of outstanding shares (thousands)	125,718	125,722
Dividend paid per ordinary share (€)	1.00	1.00

14. Intangible assets

Accounting principles, rules and methods:

Intangible assets principally comprise:

- audiovisual rights held for commercialisation by companies with such a mandate;
- production and co-production share of drama and feature films and other programmes;
- advances and prepayments for non-current assets;
- computer software and e-business websites;
- licences;
- brands;
- goodwill.

Audiovisual rights

Audiovisual rights, comprising rights to films for cinema distribution, as well as television and videographic rights, purchased with or without a minimum guarantee, in view of their commercialisation (distribution, trading), produced or co-produced, are classified as an intangible asset in compliance with IAS 38 - *Intangible Assets* and amendment to IAS 38 - *Clarification of Acceptable Methods of Depreciation and Amortisation*.

The amortisation method of an asset should reflect the pattern according to which the benefits generated by the asset are used. The presumption that an amortisation method which depends on the income generated by an asset is not appropriate is refuted in the case of audiovisual and co-production rights, given the very close correlation between revenue and the usage of the economic benefits of these rights.

That is why audiovisual rights:

- are amortised to match the net revenue generated as a percentage of total estimated net revenue, with the amortisation periods being consistent with industry practices and corresponding to the timeframe during which audiovisual rights are most likely to generate revenue and cash flow;
- are subject, in accordance with IAS 36 - *Impairment of Assets* (see Note 15), to an impairment test, which could lead to the recognition of impairment should the book value of the right exceed its recoverable value.

Co-production of feature films, drama and other

Co-production costs are also capitalised as audiovisual rights and are amortised as revenue is generated. In the case that revenue is insufficient in light of the book value of the production, the full shortfall is immediately amortised.

In application of IAS 20 - *Accounting for Government Grants and Disclosure of Government Assistance*, grants received from the Centre National du Cinéma et de l'Image Animée (CNC) are accounted for as a reduction in the acquisition cost of financed co-production assets, and are consequently accounted for in the income statement according to the pattern of consumption of the expected economic benefits of the co-productions as previously defined.

Advances and prepayments for non-current assets

Advances and prepayments comprise:

- audiovisual rights not yet open held with a view to their commercialisation;
- co-production rights awaiting receipt of technical acceptance or commercialisation visa.

Computer software and e-business websites

Computer software purchased or internally developed is reported at acquisition or production cost and amortised on a straight-line basis over its period of use, which does not exceed seven years.

Under IAS 38 - *Intangible Assets*, development costs of websites must be capitalised as intangible assets from the time the Company can demonstrate the following:

- its intention and financial and technical capacity to complete the development project;
- the likelihood that future economic benefits attributable to the development costs will flow to the company;
- and the cost of this asset can be reliably measured.

Licences

Licences are recognised at acquisition cost. With the exception of the RTL licences contributed by RTL France Radio, as well as the RTL2 and Fun Radio licences recognised as part of the allocation of the acquisition cost of RTL Group's Radio Division, the licences have a finite useful life, and are therefore amortised.

The licences contributed by RTL France Radio, RTL2 and Fun Radio correspond to rights relating to authorisation to use the radio-electric frequencies for France that relate to the three radio stations, which are issued by the Conseil Supérieur de l'Audiotvisuel. These licences have an indefinite useful life to the extent that there is no foreseeable limit to the period during which they will generate net cash inflows for the company that holds them. Accordingly, these licences are not amortised, and their book value will be measured every year in accordance with IAS 36 - *Impairment of Assets*.

Brands

Only the brands that are separable and well known are recognised as assets in the case of business combinations and the resulting allocation of the acquisition price.

Acquired brands are initially recognised at their fair value, which is estimated on the basis of the methods normally used to measure brands.

When such brands have a finite useful life, i.e. they are expected to be no longer usable at the end of a determined period, they are amortised on a straight-line basis over their useful lives.

Brands are tested for impairment in accordance with IAS 36 - *Impairment of Assets*.

	<i>Audiovisual rights (distribution and trading)</i>	<i>Co-production</i>	<i>Advances and prepayments</i>	<i>Total audiovisual rights</i>	<i>Other intangible assets</i>	<i>Goodwill</i>	<i>Total 31/12/2018</i>
At 1 January 2018, net of amortisation and writedowns	42.4	2.8	10.8	56.0	145.8	235.6	437.4
Acquisitions	47.9	3.2	29.4	80.5	29.9	-	110.4
Disposals	(4.4)	-	(1.0)	(5.4)	(26.0)	-	(31.4)
Acquisition/disposal of subsidiaries	0.3	-	-	0.3	(81.2)	(14.1)	(95.0)
Reclassification and other movements - gross value	23.1	41.2	(33.8)	30.6	46.9	(27.9)	49.6
2018 amortisation charge	(69.3)	(16.4)	-	(85.7)	(26.1)	-	(111.9)
Writedowns	(4.7)	1.8	(0.4)	(3.2)	0.9	(0.9)	(3.1)
Reversal of amortisation on disposals	4.4	-	-	4.4	13.0	-	17.4
Reversal of amortisation on acquisitions/disposals of subsidiaries	-	-	-	-	32.2	-	32.2
Reclassification and other amortisation movements	-	(20.7)	-	(20.7)	(0.3)	0.9	(20.1)
At 31 December 2018, net of amortisation and writedowns	39.8	12.0	5.1	56.9	135.1	193.6	385.6
At 1 January 2018							
Gross value	930.7	660.3	13.8	1,604.7	281.9	268.0	2,154.6
Accumulated amortisation and writedowns	(888.3)	(657.4)	(3.0)	(1,548.7)	(136.1)	(32.4)	(1,717.1)
NET AMOUNT AT 1 JANUARY 2018	42.4	2.8	10.8	56.0	145.8	235.6	437.4
At 31 December 2018							
Gross value	997.6	704.7	8.4	1,710.8	251.5	226.0	2,188.2
Accumulated amortisation and writedowns	(957.9)	(692.7)	(3.3)	(1,653.9)	(116.4)	(32.4)	(1,802.6)
NET AMOUNT AT 31 DECEMBER 2018	39.8	12.0	5.1	56.9	135.1	193.6	385.6

	<i>Audiovisual rights (distribution and trading)</i>	<i>Co-production</i>	<i>Advances and prepayments</i>	<i>Total audiovisual rights</i>	<i>Other intangible assets</i>	<i>Goodwill</i>	<i>Total 31/12/2019</i>
At 1 January 2019, net of amortisation and writedowns	39.8	12.0	5.1	56.9	135.1	193.6	
Acquisitions	49.6	0.8	19.7	70.2	17.5	-	
Disposals	(44.9)	(0.9)	-	(45.9)	(1.8)	-	
Acquisition/disposal of subsidiaries	(0.1)	-	0.1	(0.0)	0.5	192.4	
Reclassification and other movements - gross value ⁽¹⁾	9.6	31.6	(15.5)	25.7	(5.9)	(19.4)	
2019 amortisation charge	(61.8)	(17.9)	-	(79.7)	(13.7)	-	
Writedowns	(4.9)	2.5	(0.7)	(3.1)	(0.2)	-	
Reversal of amortisation on disposals	44.9	-	-	44.9	1.8	-	
Reversal of amortisation on acquisitions/disposals of subsidiaries	0.0	-	-	0.0	(0.1)	-	
Reclassification and other amortisation movements	0.1	(23.7)	-	(23.7)	4.1	-	
At 31 December 2019, net of amortisation and writedowns	32.1	4.4	8.7	45.3	137.2	366.5	
At 1 January 2019							
Gross value	997.6	704.7	8.4	1,710.8	251.5	226.0	
Accumulated amortisation and writedowns	(957.9)	(692.7)	(3.3)	(1,653.9)	(116.4)	(32.4)	
NET AMOUNT AT 1 JANUARY 2019	39.8	12.0	5.1	56.9	135.1	193.6	
At 31 December 2019							
Gross value	1,011.8	736.2	12.8	1,760.8	261.8	398.9	
Accumulated amortisation and writedowns	(979.7)	(731.8)	(4.0)	(1,715.5)	(124.6)	(32.4)	
NET AMOUNT AT 31 DECEMBER 2019	32.1	4.4	8.7	45.3	137.2	366.5	

⁽¹⁾ Pursuant to IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, iGraal’s intangible assets are presented as “assets held for sale” in the consolidated statement of financial position at 31 December 2019.

Audiovisual rights include cinematographic, television and videographic rights acquired within the framework of productions, as well as in application of distribution agreements for which a fixed amount (guaranteed minimum) was paid to the producer. The “Coproduction” heading covers, more specifically, producers’ and coproducers’ shares of feature films, drama and other programmes.

The main items recognised as “advances and prepayments” include advances paid on unopened audiovisual rights held for marketing. Amounts paid are reclassified as audiovisual rights when rights are opened.

“Other intangible assets” mainly consist of licences (including the FM licences for the RTL, RTL2 and Fun Radio stations), computer software, customer relationships recognised in respect of allocation of the acquisition cost of the RTL Group’s French Radio division.

Apart from licences contributed by RTL France Radio, the Fun Radio brand and licences recognised against RTL2 and Fun Radio in respect of allocation of the acquisition cost of RTL Group’s French Radio division, all other intangible assets are amortisable.

15. Goodwill impairment tests and intangible assets with an indeterminable life

Accounting principles, rules and methods:

According to IAS 36 – *Impairment of assets*, the recoverable value of intangible assets and property, facilities and equipment is tested at the appearance of indications of impairment.

The recoverable value of unamortised intangible assets is tested at the appearance of indications of impairment, and at least once a year. The recoverable value is determined on an asset by asset basis, unless the asset in question does not generate cash flows that are largely independent of those generated by other assets or groups of assets. These assets connected at operational and cash flow generation levels constitute a Cash Generating Unit (“CGU”).

A CGU is the smallest group of assets, which includes the asset and which generates cash flows that are largely independent of other assets or groups of assets.

In this case, the recoverable value of the CGU is subject to an impairment test.

Impairment is recognised when, as a result of specific events or circumstances arising during the period (internal or external criteria), the recoverable value of the asset or group of assets falls below its net book value.

The recoverable value is the higher of fair value, net of disposal costs, and value in use.

The value in use retained by the Group corresponds to the discounted cash flows of the CGU, including goodwill, and is determined within the framework of the economic assumptions and operating conditions, as provisionally established by the Management of Métropole Télévision, in the following manner:

- future cash flows stem from the medium-term business plan (5 years) drawn up by the Management;
- beyond this timescale, the cash flows are extrapolated by application of a perpetual growth rate appropriate to the potential development of the markets in which the entity concerned operates, as well as the competitive position held by the entity within these markets;
- the discount rate applied to the cash flows is determined using the rates which are most appropriate to the nature of the operations and the country. It takes into account the time value of money and risks specific to the CGU for which cash flows have not been adjusted.

Impairment recognised in respect of a cash generating unit (or group of units) is allocated firstly to reducing the book value of any goodwill associated with the cash generating unit, and subsequently to the book value of other assets of the unit (or group of units), proportionally to the book value of each asset of the unit (or group of units). Where the book value of goodwill and other non-current assets of the cash generating unit is insufficient, a provision may be recognised for the amount of unallocated loss.

Impairment recognised in respect of goodwill may not be reversed. As for other assets, the Group assesses at each balance sheet date if there is any indication that impairment recognised in previous financial years has decreased or no longer exists. Impairment is reversed if a change has occurred in estimates used to measure the recoverable value.

The book value of an asset, increased by an impairment reversal, may not exceed the book value which would have been measured, net of amortisation and depreciation charges, if no impairment had been recognised.

Movements

Goodwill evolved as follows during the 2019 financial year:

		31/12/2019	31/12/2018
Opening balance net of impairment		193.6	235.6
Acquisitions		193.1	7.3
Assets held for sale		(19.4)	-
Disposals		-	(21.4)
Other movements		(0.8)	(27.9)
Impairment losses		-	-
Closing balance		366.5	193.6
Opening balance			
	Gross values	226.0	268.0
	Cumulative impairment losses	(32.4)	(32.4)
	NET AMOUNT	193.6	235.6
Closing balance			
	Gross values	398.9	226.0
	Cumulative impairment losses	(32.4)	(32.4)
	NET AMOUNT	366.5	193.6

The main changes in the year reflect the following:

- acquisition of the Youth TV division for €193.1 million;
- reclassification of iGraal goodwill as “assets held for sale”;
- a €0.8 million reduction in Ctzar goodwill.

No impairment was recognised during the 2019 financial year on goodwill from continuing operations (see impairment tests hereafter).

Analysis

Goodwill is analysed by Cash Generating Unit (“CGU”) as follows:

Net value		31/12/2019	31/12/2018
Television			
	Youth TV Division	193.1	-
	Distribution	44.6	44.6
	Other	4.1	4.9
Radio		99.4	99.4
Production and Audiovisual Rights			
	Audiovisual rights	4.8	4.8
Diversification			
	Digital Services	2.2	21.6
	Interactions	5.7	5.7
	Teleshopping	12.5	12.5
TOTAL		366.5	193.6

The Group’s CGUs at 31 December 2019 are broken down as follows:

- The Youth TV CGU includes the whole of Lagardère’s Youth division, acquired on 2 September 2019;
- the Distribution CGU includes distribution of non-linear channels and services, as well as development and operation of 6play (brought together within the M6 Distribution Digital and Bedrock legal entities);
- the Radio CGU includes the whole of the French Radio division of RTL Group, acquired in 2017 (with the exception of RTL Special Marketing and Parisonair, absorbed in 2018 by M6 Interactions and M6 Événements respectively, and thus henceforth included in the Interactions CGU);
- The Digital Services CGU includes M6’s digital pure player businesses combined within the entities M6 Digital Services and M6 Hosting;

- The Audiovisual Rights CGU includes Société Nouvelle de Distribution (SND) and the audiovisual rights catalogue companies, which were merged into SND on 19 June 2019;
- The Interactions CGU includes M6 Interactions, M6 Événements et M6 Éditions;
- The Home Shopping CGU includes the entities Home Shopping Service, Best of TV and Best of TV Benelux.

Impairment tests

During the last quarter of 2019, the Distribution, Radio, Digital Services, Interactions et Teleshopping CGUs were subject to an impairment test, in accordance with IAS 36.

Given the date of its acquisition by the M6 Group, the Youth TV division has not been tested for impairment.

The discounted cash flow method (DCF) used to measure the value in use is based on cash flow forecasts established at the end of the year based on the following key assumptions: EBITA, capital expenditure, WCR, competitive environment, upgrade of IT systems and level of marketing expenditure.

The key financial assumptions used for the various CGUs are detailed below.

- Assumptions specific to the Distribution CGU:

- The discount rate used was the same as for M6 Group, which corresponds to the average WACC applied by French brokers, increased by a risk premium, i.e. 10.7%;

- The infinite growth rate was 0%.

- Assumptions specific to the Radio CGU:

- The discount rate used was the same as for M6 Group, which corresponds to the average WACC applied by French brokers, i.e. 8.7%;

- The infinite growth rate was 1%.

- Assumptions specific to the Digital Services CGU:

- The discount rate used was the same as for M6 Group, which corresponds to the average WACC applied by French brokers, increased by a risk premium, i.e. 10.7%;

- The infinite growth rate was 0%.

- Assumptions specific to the Interactions CGU:

- The discount rate used was the same as for M6 Group, which corresponds to the average WACC applied by French brokers, i.e. 8.7%;

- The infinite growth rate was 0%.

- Assumptions specific to the Teleshopping CGU:

- The discount rate used was the same as for M6 Group, which corresponds to the average WACC applied by French brokers, increased by a risk premium, i.e. 10.7%;

- The infinite growth rate was -1%.

An analysis of the sensitivity of the value in use to testing factors has been conducted, as shown by the tables below:

Distribution	Discount rate					
		9.7%	10.2%	10.7%	11.2%	11.7%
	-1.0%	257.8	248.7	240.4	232.8	225.7
Growth rate	-0.5%	264.7	254.9	246.0	237.8	230.3
	0.0%	272.3	261.7	252.1	243.3	235.3
	0.5%	280.7	269.2	258.8	249.3	240.7
	1.0%	290.2	277.5	266.1	255.9	246.6
<i>Net book value of CGU recognised in Group financial statements = €30.1 million</i>						
Radio	Discount rate					
		7.7%	8.2%	8.7%	9.2%	9.7%
	-2.0%	274.3	262.0	250.9	240.7	231.4
Growth rate	-1.5%	283.9	270.5	258.5	247.5	237.5
	-1.0%	294.6	280.0	266.9	255.0	244.2
	-0.5%	306.6	290.5	276.2	263.3	251.6
	0.0%	320.2	302.4	286.5	272.4	259.7
<i>Net book value of CGU recognised in Group financial statements = €193.3 million</i>						
Digital Services	Discount rate					
		9.7%	10.2%	10.7%	11.2%	11.7%
	-1.0%	14.1	13.5	12.9	12.4	11.9
Growth rate	-0.5%	14.6	13.9	13.3	12.7	12.2
	0.0%	15.2	14.4	13.7	13.1	12.5
	0.5%	15.8	14.9	14.2	13.5	12.9
	1.0%	16.4	15.5	14.7	14.0	13.4
<i>Net book value of CGU recognised in Group financial statements = €3.1 million</i>						

Interactions	Discount rate					
		7.7%	8.2%	8.7%	9.2%	9.7%
	-1.0%	32.5	30.8	29.2	27.8	26.5
Growth rate	-0.5%	34.0	32.1	30.3	28.8	27.4
	0.0%	35.7	33.5	31.6	29.9	28.4
	0.5%	37.5	35.1	33.0	31.2	29.5
	1.0%	39.7	37.0	34.6	32.6	30.7
Net book value of CGU recognised in Group financial statements = €7.6 million						
Teleshopping	Discount rate					
		9.7%	10.2%	10.7%	11.2%	11.7%
	-2.0%	28.3	26.9	25.6	24.4	23.3
Growth rate	-1.5%	29.4	27.9	26.5	25.2	24.1
	-1.0%	30.6	28.9	27.4	26.1	24.8
	-0.5%	31.8	30.1	28.5	27.0	25.7
	0.0%	33.3	31.4	29.6	28.0	26.6
Net book value of CGU recognised in Group financial statements = €15.5 million						

Following this analysis, the Group concluded that the recoverable values of the Distribution, Radio, Digital Services, Interactions and Teleshopping CGUs exceeded their net book value in the Group's financial statements at 31 December 2019.

16. Property, facilities and equipment

Accounting principles, rules and methods:

Property, facilities and equipment are recorded at their acquisition cost, reduced by accumulated depreciation and impairment provisions, according to the treatment specified by IAS 16 – *Property, Plant & Equipment*. This cost includes costs directly attributable to the transfer of the asset to its place of operation and its adaptation to operate in the manner anticipated by Management.

Right-of-use assets

The most significant change introduced by IFRS 16 - Leases is the removal of the distinction between an operating lease and a finance lease in the financial statements of lessees: the new standard treats all leases as finance leases.

Rights to use leased assets correspond to the present value of payments under the leases in question.

At Group level, the provisions of the new standards notably has a material impact on property leases. However, leases of 12 months or less and leases where the underlying asset has a low value are not covered by these new provisions, and are thus treated as operating leases (with a lease expense recognised in the income statement).

Depreciation

Depreciation is calculated in line with the pattern of consumption of the expected economic benefits of each individual asset, based on its acquisition cost, less its residual value.

The straight-line method is applied over the following useful lives:

Buildings	10 to 25 years
Right-of-use assets	Non-cancellable lease period plus renewal options reasonably certain to be exercised (generally 9 years)
General purpose facilities, office furniture	10 years
Computer hardware	3 to 4 years
Office and technical equipment	3 to 6 years

Residual value

The residual value of an asset is the estimated amount that the Group would obtain from disposal of the asset at the end of its useful life, after deducting the estimated costs of disposal.

The residual value of an asset may increase to an amount equal to or greater than the asset's book value. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's book value.

Impairment losses

Property, facilities and equipment are subject to impairment tests when indications of a loss of value are identified. Should this be the case, an impairment loss is recorded in the income statement under the caption "Net depreciation, amortisation and provision charges".

	Land	Buildings	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2018	
At 1 January 2018, net of depreciation and writedowns	19.3	68.2	15.6	10.3	13.8	127.2	
Acquisitions	-	0.0	12.7	3.8	2.1	18.6	
Disposals	-	(1.0)	(12.2)	(3.9)	-	(17.1)	
Acquisition/disposal of subsidiaries	(0.2)	(8.7)	(7.9)	(8.6)	(0.4)	(25.8)	
Reclassification and other movements - gross value	-	1.3	9.7	2.7	(13.6)	0.0	
2018 depreciation charge	-	(4.0)	(7.3)	(4.7)	-	(15.9)	
Writedowns	-	0.0	0.0	0.0	-	0.1	
Reversal of depreciation on disposals	-	-	12.2	3.7	-	16.0	
Reversal of depreciation on acquisitions/disposals of subsidiaries	-	5.2	5.8	5.3	-	16.3	
Reclassification and other depreciation movements	-	0.0	(0.0)	(0.0)	-	(0.0)	
At 31 December 2018, net of depreciation and writedowns	19.1	61.1	28.7	8.6	1.9	119.4	
At 1 January 2018							
Gross value	19.3	131.7	93.5	46.3	13.8	304.5	
Accumulated depreciation and writedowns	-	(63.5)	(77.9)	(36.0)	-	(177.3)	
NET AMOUNT AT 1 JANUARY 2018	19.3	68.2	15.6	10.3	13.8	127.2	
At 31 December 2018							
Gross value	19.1	123.4	95.8	40.3	1.9	280.3	
Accumulated depreciation and writedowns	-	(62.2)	(67.1)	(31.6)	-	(161.0)	
NET AMOUNT AT 31 DECEMBER 2018	19.1	61.1	28.7	8.6	1.9	119.4	
	Land	Buildings	Right-of-use assets	Technical facilities	Other property, facilities and equipment	Assets under construction	Total 31/12/2019
At 1 January 2019, net of depreciation and writedowns	19.1	61.1	-	28.7	8.6	1.9	119.4
Impacts of IFRS 16 on property, plant and equipment opening balance	-	-	48.8	-	-	-	48.8
Acquisitions	-	-	5.7	4.5	3.8	2.2	16.2
Disposals	-	-	(0.1)	(2.7)	(2.8)	-	(5.6)
Acquisition/disposal of subsidiaries	-	-	-	2.2	0.4	0.0	2.7
Reclassification and other movements - gross value ⁽¹⁾	-	(0.0)	(8.7)	(0.0)	(0.1)	(0.2)	(9.1)
2019 depreciation charge	-	(3.6)	(7.6)	(7.3)	(4.0)	-	(22.4)
Writedowns	-	-	-	-	-	-	-
Reversal of depreciation on disposals	-	-	0.1	1.2	2.7	-	4.0
Reversal of depreciation on acquisitions/disposals of subsidiaries	-	-	-	(0.4)	(0.1)	-	(0.5)
Reclassification and other depreciation movements	-	0.0	0.2	0.1	0.2	-	0.4
At 31 December 2019, net of depreciation and writedowns	19.1	57.6	38.3	26.2	8.8	4.0	153.9
At 1 January 2019							
Gross value	19.1	123.4	-	95.8	40.3	1.9	280.3
Accumulated depreciation and writedowns	-	(62.2)	-	(67.1)	(31.6)	-	(161.0)
NET AMOUNT AT 1 JANUARY 2019	19.1	61.1	-	28.7	8.6	1.9	119.4
At 31 December 2019							
Gross value	19.1	123.4	45.6	99.7	41.6	4.0	333.4
Accumulated depreciation and writedowns	-	(65.8)	(7.3)	(73.5)	(32.8)	-	(179.4)
NET AMOUNT AT 31 DECEMBER 2019	19.1	57.6	38.3	26.2	8.8	4.0	153.9

⁽¹⁾ Pursuant to IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, iGaal's property, plant and equipment is presented as "assets held for sale" in the consolidated statement of financial position at 31 December 2019.

17. Inventories

Accounting principles, rules and methods:

Inventories consist of programmes, broadcasting rights and merchandise inventories.

Programmes and broadcasting rights

In compliance with IAS 2 - *Inventories*, programmes and broadcasting rights are recorded in inventory at the date the rights are open. Rights which are not open and not yet billed are classified as off-balance sheet commitments.

The billed portion of rights not open is recognised in advances and prepayments.

Programmes and broadcasting rights are valued at their acquisition costs, reduced at each year end by the amount consumed, as calculated according to the following methods.

Métropole Télévision programmes, which constitute the predominant part of the Group's broadcasting rights inventories, are considered to be utilised when broadcast, in accordance with the following rules:

- rights acquired for a single broadcast and various rights (documentaries, concerts, sporting events, etc.): 100% expensed on first broadcast;
- rights acquired for multi-broadcasts:
 - 1st broadcast: 66%.
 - 2nd broadcast: 34%.

Different amortisation schedules may be considered in highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

On the other hand, a writedown provision is established for broadcasting rights relating to programmes that are not likely to be broadcast, on the basis of a review, title by title, of the portfolio of broadcasting rights.

Other inventories

Other inventories comprise products and goods relating to the brand diversification activities of the Group. These inventories are valued at the lower of their acquisition cost and their net realisable value, which corresponds to the estimated sales price, net of estimated costs necessary to realise their sale.

A writedown provision is established whenever their net realisable value is less than their acquisition cost, measured on a case by case basis (slow rotation, inventories for reimbursement, returns, etc.).

	Broadcasting rights inventory	Commercial inventory	Total 31/12/2018
At 1 January 2018, net of writedowns	251.3	14.1	265.4
Acquisitions	348.8	48.7	397.5
Acquisition of subsidiaries	-	0.0	0.0
Disposal of subsidiaries	-	(2.4)	(2.4)
Expensed	(311.2)	(51.8)	(363.0)
(Charge)/reversal 2018	(28.0)	0.0	(28.0)
At 31 December 2018, net of writedowns	260.9	8.6	269.5
At 1 January 2018			
Cost or fair value	415.0	17.7	432.8
Accumulated writedowns	(163.7)	(3.6)	(167.3)
Net amount at 1 January 2018	251.3	14.1	265.4
At 31 December 2018			
Cost or fair value	452.6	12.2	464.8
Accumulated writedowns	(191.8)	(3.6)	(195.3)
Net amount at 31 December 2018	260.9	8.6	269.5

	Broadcasting rights inventory	Commercial inventory	Total 31/12/2019
At 1 January 2019, net of writedowns	260.9	8.6	269.5
Acquisitions	305.8	49.2	355.0
Acquisition of subsidiaries	13.9	-	13.9
Disposal of subsidiaries	-	-	-
Expensed	(304.8)	(46.6)	(351.3)
(Charge)/reversal 2019	4.4	0.3	4.7
At 31 December 2019, net of writedowns	280.2	11.6	291.8
At 1 January 2019			
Cost or fair value	452.6	12.2	464.8
Accumulated writedowns	(191.8)	(3.6)	(195.3)
NET AMOUNT AT 1 JANUARY 2019	260.9	8.6	269.5
At 31 December 2019			
Cost or fair value	469.9	14.9	484.7
Accumulated writedowns	(189.6)	(3.3)	(192.9)
NET AMOUNT AT 31 DECEMBER 2019	280.2	11.6	291.8

18. Investments in joint ventures and associates

Accounting principles, rules and methods:

Joint ventures are companies under joint control (joint control means the contractually agreed sharing of control over an operation; it only exists when decisions concerning the business in question require the unanimous consent of the parties sharing control). They are accounted for under the equity method, in compliance with IAS 28 - *Investments in Associates and Joint Ventures* and IFRS 11 - *Joint Arrangements*.

Associates are entities in which the Group has significant influence over the financial and operating policies, but does not control these policies. Significant influence is presumed when the Group holds between 20% and 50% of the voting rights of an entity but a third party has exclusive control of this entity. They are also accounted for under the equity method.

The existence and effect of potential voting rights exercisable or convertible at year end are taken into consideration when assessing whether the Group has control or significant influence over the entity.

Joint ventures and associates are initially recognised at acquisition cost. The Group's shareholding includes goodwill identified upon the acquisition, net of cumulative impairment charges.

Under this method, the Group accounts for its share of net assets of the joint venture or associate in the balance sheet and records in the consolidated income statement, under a specific line item entitled "Share of profit/(loss) of joint ventures and associates", its share of the net income of the entity consolidated using the equity method.

Consolidated financial statements include the Group's share of total profit and loss and equity movements recognised by equity accounted companies, taking account of restatements necessary for accounting policies to comply with those of the Group, from the date on which joint control or significant influence is exercised and until joint control or significant influence ceases.

Pursuant to the provisions of IFRS 9 - *Financial Instruments*, the Group determines whether it is necessary to recognise an impairment loss with respect to its investment in a joint venture or an associate. Where necessary, the entire book value of the investment (including goodwill) is tested for impairment as a single asset, in accordance with IAS 36 - *Impairment of Assets*, by comparing its recoverable value (higher of value in use and fair value less cost of disposal) with its book value. Any impairment loss recognised forms part of the book value of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable value of the investment subsequently increases.

If the Group's share of losses exceeds the value of its shareholding in the equity-accounted company, the book value of equity-accounted shares (including any long-term investment) is brought down to zero and the Group ceases to recognise its share of subsequent losses, unless the Group is under the obligation of sharing in the losses or to make payments in the name of the company.

The contributions of joint ventures and associates to the Group's consolidated statement of financial position and the consolidated statement of comprehensive income were as follows:

	% held	31/12/2018	Share of net profit	Impairment losses	Change in Group structure	Dividends paid	31/12/2019
Investments in joint ventures		1.6	0.4	-	-	(0.5)	1.5
Série Club	50%	1.3	0.3	-	-	(0.5)	1.1
Panora Services	50%	0.3	0.1	-	-	-	0.4
Investments in associates		9.2	1.8	2.2	0.2	(1.4)	12.0
Quicksign	24%	0.2	0.2	-	(0.1)	-	0.3
Stéphane Plaza France	49%	5.2	2.4	-	-	(1.4)	6.3
Elephorm	34%	0.5	(0.0)	2.2	-	-	2.7
6&7	-	(0.0)	(0.3)	-	0.3	-	-
Life TV	13%	3.3	(0.1)	-	(3.1)	-	-
Wild Buzz Agency	40%	-	0.2	-	2.0	-	2.3
Salto SNC	33%	-	(0.6)	-	1.0	-	0.4
Salto Gestion	33%	-	0.0	-	0.0	-	0.0
INVESTMENTS IN JOINT VENTURES AND ASSOCIATES		10.8	2.2	2.2	0.2	(1.9)	13.5

18.1. Acquisitions during the financial year



On 23 May 2019, M6 Publicité acquired 40% of Wild Buzz Agency (WBA), an event management agency specialising in creating temporary spaces dedicated to brands and institutions, for €2.0 million.



On 22 August 2019, M6 invested an additional €1.0 million of equity in Salto SNC and Salto gestion. M6 has a 33% stake in these companies.

18.2. Other movements

QuickSign

On 16 May 2019, M6 Digital Services' stake in Quicksign was reduced from 24.1% to 23.9%.

Elephorm

The €2.2 million impairment loss (recognised in 2018) was reversed in full in 2019 in light of the most recent financial outlook and fresh discussions between the company's shareholders.

Life TV

On 21 March 2019, Métropole Télévision's stake in Life TV fell from 33.34% to 12.5% in exchange for cancellation of the €2.5 million debt recognised at 31 December 2018.

This deconsolidation resulted in the recognition of an amount of €0.4 million under "Capital gains on disposals of investments".

6&7

On 24 July 2019, M6 Interactions sold its stake in 6&7. This transaction resulted in the recognition of an amount of €0.6 million under "Capital gains on disposals of investments".

18.3. Contributions of joint ventures

The contributions of joint ventures to Group consolidated revenue would have been as follows:

	31/12/2019	31/12/2018
Revenue	9.3	12.7
Contribution by company:		
Série Club	6.0	6.1
HSS Belgique	-	3.8
Panora Services	3.3	2.8

19. Financial instruments

Accounting principles, rules and methods:

Fair value

The fair value is determined by reference to a quoted price in an active market where such a market price exists. Failing that, it is calculated using a recognised valuation technique such as the fair value of a similar and recent transaction or the discounting of future cash flows, based on market data. However, the fair value of short-term financial assets and liabilities can be deemed to be similar to their balance sheet value due to the short maturity of these instruments.

Financial assets

- In accordance with the recommendations of IFRS 9 - *Financial Instruments*, the shares of non-consolidated (either via full consolidation or using the equity method) companies belong to the equity instrument category. They are initially recognised at fair value, corresponding to their original acquisition cost, and are then revalued at fair value, either through profit and loss or items of other comprehensive income, depending on their initial classification. Loans and receivables, as well as other financial assets, are measured at fair value and then revalued at their amortised cost.
- Financial assets at fair value through profit or loss comprise:
 - assets that are regarded as held for trading, which comprise assets that the company intends to sell in the short term in order to realise a capital gain, which are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking (mainly cash and cash equivalents and other cash management financial assets);
 - assets explicitly designated by the Group upon initial recognition as financial instruments, the changes in fair value of which are recognised in profit or loss. This designation is used when such use results in the provision of better quality financial information and enhances the consistency of the financial statements.
- Financial assets at fair value through other comprehensive income encompass other assets not explicitly designated by the Group as financial instruments at fair value through profit or loss.
- The following assets are tested for impairment at each period end:
 - loans and receivables issued by the entity and other financial assets: when there is an objective indication of impairment, the amount of the impairment loss is recognised in profit or loss;
 - equity instruments measured at fair value through profit and loss: when there is an objective indication of impairment, the amount of the impairment loss is recognised in profit or loss;
 - Equity instruments at fair value through other comprehensive income: unrealised gains and losses on equity instruments are recognised in other comprehensive income.

19.1. Financial assets

The various categories of financial assets at 31 December 2018 and 31 December 2019 are presented by balance sheet item in the table below (the analysis by category of instruments reflects the provisions of IFRS 9 - *Financial Instruments*, applicable from 1 January 2018):

	31/12/2018				Valuation		
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Fair value through items of other comprehensive income	Amortised cost
Equity instruments measured at fair value	6.2	-	6.2	6.2	4.4	1.8	-
Other non-current financial assets	18.5	(0.0)	18.5	18.5	9.1	-	9.4
Other non-current assets	-	-	-	-	-	-	-
Trade receivables	337.6	(17.1)	320.5	320.5	-	-	320.5
Derivative financial instruments	0.2	-	0.2	0.2	0.2	-	-
Other current financial assets	14.0	(0.3)	13.7	13.7	-	-	13.7
Other current assets	211.8	(2.3)	209.5	209.5	-	-	209.5
Cash and cash equivalents	132.8	-	132.8	132.8	12.7	-	120.1
ASSETS	721.1	(19.7)	701.5	701.5	26.4	1.8	673.3

	31/12/2019				Valuation		
	Gross value	Writedowns	Book value	Fair value	Fair value through profit and loss	Fair value through items of other comprehensive income	Amortised cost
Equity instruments measured at fair value	5.3	-	5.3	5.3	3.4	1.9	-
Other non-current financial assets	6.4	(0.0)	6.4	6.4	0.7	-	5.7
Other non-current assets	-	-	-	-	-	-	-
Trade receivables	373.7	(17.5)	356.2	356.2	-	-	356.2
Derivative financial instruments	0.0	-	0.0	0.0	0.0	-	-
Other current financial assets	2.1	(0.3)	1.8	1.8	-	-	1.8
Other current assets	209.2	(1.6)	207.6	207.6	-	-	207.6
Cash and cash equivalents	45.9	-	45.9	45.9	7.8	-	38.1
ASSETS	642.7	(19.4)	623.3	623.3	12.0	1.9	609.4

Equity instruments

Equity instruments comprise equity securities held by the Group in non-consolidated companies and receivables which are directly related to them.

The balance sheet position was as follows:

	Reference currency	% held	Fair value		Valuation	
			31/12/2019	31/12/2018	Fair value through profit and loss	Fair value through items of other comprehensive income
2CED	Euro (€)	15.3%	1.8	1.8	1.8	-
Job Digital Networks ⁽¹⁾	Euro (€)	-	-	1.5	-	-
Médiamétrie	Euro (€)	2.7%	1.0	1.0	-	1.0
Youmiam	Euro (€)	8.8%	0.5	0.5	0.5	-
GLHF	Euro (€)	17.5%	-	0.5	-	-
Life TV	Euro (€)	12.5%	1.0	-	1.0	-
Alliance Gravity Data Média	Euro (€)	11.1%	0.4	0.4	-	0.4
European News Exchange	Euro (€)	20.0%	0.1	0.1	-	0.1
Victor et Charles	Euro (€)	4.5%	-	0.1	-	-
Fun Radio Belgique	Euro (€)	25.0%	0.1	0.1	-	0.1
Audiance Square	Euro (€)	20.0%	0.1	0.1	-	0.1
Other	Euro (€)	-	0.0	0.1	-	0.0
TOTAL			5.0	6.2	3.4	1.7
Asset derivative instrument			0.2	-	-	0.2
TOTAL			5.3	6.2	3.4	1.9
TOTAL EQUITY INSTRUMENTS			5.3	6.2	3.4	1.9

⁽¹⁾ The Group sold its stake in Job Digital Networks on 1 August 2019. The value of this investment had been fully impaired over the financial year.

Other financial assets

The balance sheet position was as follows:

	31/12/2019	31/12/2018
Current accounts with joint ventures and associates	0.6	0.6
Security deposits	5.1	3.2
Receivables on disposals of subsidiaries	-	5.6
Other financial assets	0.7	9.1
OTHER NON-CURRENT FINANCIAL ASSETS	6.4	18.5
Receivables on disposals of subsidiaries	1.7	13.6
Other financial assets	0.1	0.1
OTHER CURRENT FINANCIAL ASSETS	1.8	13.7

The reduction in other financial assets mainly reflects the receipt during the year of all residual receivables in respect of the sale of the Girondins business.

Cash and cash equivalents

Accounting principles, rules and methods:

Cash comprises cash in hand in the bank current account and demand deposits.

Cash equivalents are liquid investments, readily convertible into a known amount of cash, subject to an insignificant risk of change in value, with a maturity of less than 3 months.

Cash and cash equivalents totalled €45.9 million at 31 December 2019, compared with €132.8 million at 31 December 2018. Bank accounts and term deposits are financial assets held for trading and as such are measured at fair value (fair value through income statement).

In application of the deposit policy described in Note 20.3, virtually all cash is invested, with an average term of less than 90 days, in interest-bearing current accounts and term deposits with investment grade counterparts.

19.2. Financial liabilities

Accounting principles, rules and methods:

Financial debt is measured at amortised cost in accordance with the effective interest rate method, and primarily consists of a bond issue, a schuldschein loan and similar debt, including revolving credit facilities arranged with banks.

Financial liabilities at fair value correspond to commitments to buy out non-controlling interests given to minority shareholders of companies controlled by the Group.

Other financial liabilities are valued at amortised cost, with the exception of derivative financial instruments which are valued at fair value.

Derivative instruments relating to cash flow hedges are valued at fair value at each balance sheet date, and the change in the fair value of the ineffective portion of the hedge is recognised in the income statement and the change in the fair value of the effective portion of the hedge in other items of comprehensive income.

The various categories of financial liabilities at 31 December 2018 and 31 December 2019 are presented in the table below by balance sheet item:

	31/12/2018		Analysis by category of instruments		
	Book value	Fair value	Fair value through income statement or items of other comprehensive income	Amortised cost	Derivative instruments
Non-current financial debt	51.5	51.5	-	51.5	-
Other non-current financial liabilities	25.4	25.4	20.5	4.9	-
Other non-current debt	0.8	0.8	-	0.8	-
Current financial debt	0.4	0.4	-	0.4	-
Derivative financial instruments	-	-	-	-	-
Other current financial liabilities	29.8	29.8	21.7	8.1	-
Trade payables	414.9	414.9	-	414.9	-
Other operating liabilities	15.5	15.5	-	15.5	-
Tax and social security payable	122.6	122.6	-	122.6	-
Other current financial liabilities	24.3	24.3	-	24.3	-
LIABILITIES	685.2	685.2	42.2	643.0	-

	31/12/2019		Analysis by category of instruments		
	Book value	Fair value	Fair value through income statement or equity	Amortised cost	Derivative instruments
Non-current financial debt	125.4	125.4	-	125.4	-
Non-current lease liabilities	35.1	35.1	-	35.1	-
Other non-current financial liabilities	18.5	18.5	12.0	6.5	-
Other non-current debt	0.7	0.7	-	0.7	-
Current financial debt	25.7	25.7	-	25.7	-
Current lease liabilities	8.0	8.0	-	8.0	-
Derivative financial instruments	-	-	-	-	-
Other current financial liabilities	4.2	4.2	-	4.2	-
Trade payables	423.0	423.0	-	423.0	-
Other operating liabilities	15.1	15.1	-	15.1	-
Tax and social security payable	125.8	125.8	-	125.8	-
Other current financial liabilities	17.5	17.5	-	17.5	-
LIABILITIES	799.0	799.0	12.0	787.0	-

Financial debt

Financial debt positions were as follows:

	31/12/2019	31/12/2018
Bank and bond debt	125.3	50.3
Other	0.1	1.3
TOTAL NON-CURRENT FINANCIAL DEBT	125.4	51.5
Bank debt and credit facilities	25.7	0.4
TOTAL CURRENT FINANCIAL DEBT	25.7	0.4

Non-current financial debt:

- On 28 July 2017, the Group carried out a €50.0 million bond issue, in order to finance the acquisition of the French Radio Division.

These bonds bear interest at an annual rate of 1.5%, with bullet redemption at maturity after 7 years (1 August 2024).

- On 24 July 2019, to finance the acquisition of the Youth TV division, the Group arranged a €75.0 million Schuldschein loan over seven years consisting of a €65.0 million facility at a fixed interest rate of 1.0% and a €10.0 million floating rate facility at 6-month Euribor plus 1.0% (giving a rate of 1.0% at 31 December 2019).

Current financial debt:

- Three revolving medium-term (5-year) bank credit facilities were arranged amounting to €180.0 million, in order to protect the Group against liquidity risk, as described in Note 20.2.

The conditions for drawdown of the Group's credit facilities are primarily governed by a change of control clause.

As at 31 December 2019, these facilities had not been drawn down (nor were they at 31 December 2018), and the maximum amount drawn down during the financial year was €75.0 million.

- In addition, the Group also benefits from a credit facility from its principal shareholder (Bayard d'Antin), under which a maximum of €50.0 million may be drawn down. At 31 December 2019, €25.0 million of this facility had been drawn (it was undrawn at 31 December 2018).

Other financial liabilities

Other current financial liabilities of €4.2 million correspond to the liability relating to the forward purchase agreement for 400,000 treasury shares, maturing on 31 March 2020 (see Note 21.1).

Other non-current financial liabilities of €18.5 million include:

- The liability relating to the Group's commitment to minority shareholders to purchase non-controlling interests;
- the liability relating to the two forward purchase agreements for 300,000 and 200,000 treasury shares, expiring on 30 July 2021 and 31 March 2022 respectively (see Note 21.1).

These financial debts are measured at fair value through profit and loss or items of other comprehensive income (level 3 in the hierarchy for determining fair value pursuant to IFRS 7).

19.3. Analysis of financial assets and liabilities under the fair value hierarchy

The disclosures required by IFRS 7 are classified in accordance with a fair value hierarchy which reflects the materiality of data used in valuations. This fair value hierarchy is as follows:

- Level 1: prices (unadjusted) quoted in active markets for identical assets or liabilities;
- Level 2: inputs, other than the quoted prices included under Level 1, that are observable for assets and liabilities, either directly (prices for example), or indirectly (for example, elements derived from prices);
- Level 3: inputs on assets or liabilities that are not based on observable market data (unobservable inputs).

31/12/2018	Level 1	Level 2	Level 3
	Listed prices	Observable inputs	Unobservable inputs
Equity instruments	-	-	6.2
Other non-current financial assets	-	9.1	-
Derivative financial instruments	-	0.2	-
Cash and cash equivalents:			
Term deposits	-	12.7	-
ASSETS	-	22.0	6.2
Other non-current financial liabilities	-	-	20.5
Other current financial liabilities	-	-	21.7
LIABILITIES	-	-	42.2

31/12/2019	Level 1	Level 2	Level 3
	Listed prices	Observable inputs	Unobservable inputs
Equity instruments	-	-	5.3
Other non-current financial assets	-	0.7	-
Derivative financial instruments	-	0.0	-
Cash and cash equivalents:			
Term deposits	-	7.8	-
ASSETS	-	8.6	5.3
Other non-current financial liabilities	-	-	12.0
LIABILITIES	-	-	12.0

19.4. Effect of financial instruments on the income statement

The effects of financial instruments on the income statement were as follows:

	31/12/2018	Analysis by category of instruments			
	Effect on income statement	Fair value through profit and loss	Loans and receivables	Debt at amortised cost	Derivative instruments
IMPACT ON NET FINANCIAL INCOME/EXPENSE	(1.7)				
Total interest income	0.5	-	0.5	-	-
Total interest expense	(1.3)	-	-	(1.3)	-
Revaluations	(0.8)	(0.6)	-	-	(0.1)
Net gains/(losses)	(0.2)	(0.2)	-	-	-
Income/(loss) on disposals	-	-	-	-	-
IMPACT ON EBIT	(1.9)				
Net gains/(losses)	(0.0)	-	(0.0)	-	-
Impairment	(1.8)	-	(1.8)	-	-
NET GAIN / (LOSS)	(3.6)	(0.8)	(1.4)	(1.3)	(0.1)

	31/12/2019	Analysis by category of instruments			
	Effect on income statement	Fair value through profit and loss	Loans and receivables	Debt at amortised cost	Derivative instruments
IMPACT ON NET FINANCIAL INCOME/EXPENSE	(5.4)				
Total interest income	0.2	-	0.2	-	-
Total interest expense	(2.9)	-	-	(2.9)	-
Revaluations	(3.8)	(3.7)	-	-	(0.0)
Net gains/(losses)	0.9	0.9	-	-	-
Income/(loss) on disposals	0.1	-	0.1	-	-
IMPACT ON EBIT	(3.3)				
Net gains/(losses)	(0.1)	-	(0.1)	-	-
Impairment	(3.1)	-	(3.1)	-	-
NET GAIN / (LOSS)	(8.6)	(2.9)	(2.9)	(2.9)	(0.0)

20. Risks associated with financial instruments

This note presents information on the Group's exposure to each of the following risks, as well as its objectives, policy and risk assessment and management procedures.

The net book value of financial assets represents the maximum exposure to the credit risk.

20.1. Credit risk

The credit risk represents the risk of financial loss for the Group in the event a customer was to fail to meet its contractual commitments.

Trade receivables

Operating receivables

If the maturity date is less than one year and the effects of discounting are not significant, receivables are measured at cost (nominal amount of the receivable). Conversely, receivables are measured at amortised cost, using the effective rate of interest, when their maturity date exceeds one year and the effects of discounting are significant.

Furthermore, operating receivables are impaired to reflect the best estimate of expected credit losses over their lives. Impairment losses are no longer recognised at the date of occurrence of events casting doubt on the recoverability of the corresponding assets; rather, they are recognised upon initial recognition of the assets. Initial and subsequent measurements of expected credit losses are based, individually or collectively, on probabilistic weightings that take into account, in particular, the age of receivables, past events and the current and future economic environment. Adjustments to the value of operating receivables in respect of expected credit losses over their lives are reviewed at each balance sheet date. Any resulting changes are recognised in net profit for the period.

Risk assessment differs across Group operations.

The Group applies a prudent policy aimed at preventing and monitoring impairment risk on trade receivables.

It is pointed out in this note that, as regards revenue, no single customer risk is material enough to significantly impair the Group's profitability.

The Group's leading, top 5 and top 10 customers represent less than 5%, 15% and 20% of consolidated revenue, respectively.

Advertising revenue

The main step taken by the M6 Publicité advertising agency to secure its advertising revenues is to conduct credit inquiries. These are systematically carried out with the support of specialised external companies on new customers and on an on-going basis on recurring customers.

The latter represent the large majority of advertisers. The advertiser base thus appears relatively stable, with more than 90% of revenue being generated from the same customers from one year to the next. Furthermore, it comprises a majority of quoted French companies and French subsidiaries of major international corporations.

Based on the results of credit enquiries and the amounts incurred in relation to the campaign, different payment terms are granted to customers: In particular, M6 demands that advertisers who do not meet its solvency criteria pay their campaigns in advance. These provisions are included in the terms and conditions of sale of the M6 Publicité advertising agency.

Due to this prudent policy, the risk of non-payment of advertising campaigns remained less than 0.5% of revenue (equal to the year to 31 December 2018).

In order to further curtail this risk, the Group's advertising agencies impose late payment penalties on unpaid invoices and have internal teams dedicated to recovering trade receivables.

Non-advertising revenues

As regards non-advertising revenue, no single customer risk is material enough to significantly impair the Group's profitability. Nonetheless, the team dedicated to collecting trade receivables guarantee throughout the year that everything is done to reduce bad debts. In addition to follow-up by this dedicated team, the Group may call upon the services of specialised debt collectors.

Banking counterparts

The Group neither securitises, nor assigns nor factors trade receivables.

The Group pays particular attention to the quality of its banking counterparties. The Group strives to diversify its mutual fund depositories, in which excess cash is invested in accordance with the cash management policy described in Note 20.3.

The Group works with leading European banks that benefit from an investment grade rating.

Maturity of financial assets

The maturity dates of financial assets were as follows at the balance sheet date:

	Year end		Neither written down nor due		<= 1 month		2 - 3 months	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Other financial assets	8.5	32.5	8.2	32.2	-	0.0	-	-
Gross trade receivables	373.7	337.6	194.5	185.9	88.3	87.8	40.5	25.7
Derivative financial instruments	0.0	0.2	0.0	0.2	-	-	-	-
Other receivables - gross	209.2	211.8	196.6	209.1	11.0	0.9	-	-
TOTAL	591.5	582.1	399.4	427.5	99.3	88.7	40.5	25.7

	3 - 6 months		6 - 12 months		> 1 year		Other*	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Other financial assets	-	-	-	-	-	-	0.3	0.3
Gross trade receivables	13.3	9.1	16.8	12.8	10.1	5.4	10.2	10.9
Derivative financial instruments	-	-	-	-	-	-	-	-
Other receivables - gross	-	-	-	-	-	-	1.6	1.8
TOTAL	13.3	9.1	16.8	12.8	10.1	5.4	12.0	13.0

* These include trade receivables (inclusive of VAT) for which writedowns are established on an individual basis. Writedowns of receivables (inclusive of VAT) calculated based on a statistical model are broken down by age.

Trade and other receivables comprise commercial receivables and other receivables linked to operations, such as advances and deposits.

20.2. Liquidity risk

The liquidity risk is the risk that the Group may find it difficult to meet its liabilities when they fall due. In order to manage the liquidity risk, the Group has implemented a policy of forecast cash position and financing needs monitoring, so that it always has sufficient cash to meet its current liabilities. Cash management is centralised in a cash pooling, in order to optimise financial resources.

The book value of financial liabilities posted to the balance sheet represents the maximum exposure to the credit risk at year-end.

At 31 December 2019, the Group's net financial debt was €98.7 million.

At that date, the Group had four borrowing facilities:

- a facility available with its main shareholder (Bayard d'Antin) for a maximum of €50.0 million, of which €25 million was drawn down;
- confirmed bank borrowing facilities totalling €180 million over five years, unused at 31 December 2019; these facilities were drawn down to a maximum of €75 million in the year.

The Group's liquidity is also ensured by two long-term financing facilities:

- a €50.0 million Euro PP bond issue arranged on 28 July 2017 and maturing in 2024;
- a €75.0 million Schuldschein loan arranged on 24 July 2019 and maturing in 2026.

Group debt may be analysed as follows by maturity date (excluding current tax liabilities):

	< 1 year		1 - 5 years		> 5 years		Total	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Financial debt	25.7	0.4	50.3	1.6	75.1	49.9	151.1	51.9
Lease liabilities	8.0	-	26.4	-	8.7	-	43.1	-
Derivative financial instruments	0.0	-	-	-	-	-	0.0	-
Other financial liabilities	4.2	29.8	18.5	13.5	-	11.9	22.7	55.2
Trade payables	423.0	414.9	-	-	-	-	423.0	414.9
Other liabilities	15.1	15.5	-	-	-	-	15.1	15.5
Tax and social security payable	125.8	122.6	0.7	0.8	-	-	126.5	123.4
Liabilities relating to non-current assets	17.5	24.3	-	-	-	-	17.5	24.3
TOTAL	619.2	607.6	96.0	15.9	83.8	61.8	799.0	685.2

20.3. Market risk

Market risk is the risk that movements in market prices, such as foreign exchange rates, interest rates and equity instrument prices may adversely affect the Group's financial performance or the value of its financial instruments. The objective of market risk management is to define a strategy that limits the Group's exposure to the market risk, while at the same time ensuring that this strategy does not come at a significant cost.

Foreign exchange risk

Accounting principles, rules and methods:

Foreign currency transactions are initially recorded in the functional currency (Euro) using the exchange rate prevailing at the date of the transaction, in application of IAS 21 – *Effects of Changes in Foreign Exchange Rates*.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the balance sheet date. All differences are recorded in the income statement. Non-monetary items in foreign currencies which are valued at historical cost are translated at the exchange rate at the initial date of the transaction.

Exchange differences resulting from the conversion of assets and liabilities denominated in foreign currency arising from commercial transactions are accounted for in operating profit. For financial transactions, these same differences are accounted for in finance income and expense.

The treatment of foreign exchange hedges is detailed hereafter.

The Group is primarily exposed to exchange risks at operational level.

The Group is exposed to foreign exchange risk through a number of audiovisual rights purchase contracts, particularly through its cinema distribution activity, as well as through a fraction of purchases of goods by the distance-selling division.

These purchases are primarily denominated in US dollars.

In order to protect itself from random currency market movements that could adversely impact its financial income and the value of its assets, the Group decided to hedge all its purchases. The coverage is undertaken at the signing of supplier contracts and is weighted as a function of the underlying due date. Commitments to purchase rights are fully hedged.

Purchases of goods are hedged on a statistical basis and adjusted regularly based on orders placed.

The Group only uses simple financial products that guarantee the amount covered and a set rate of coverage. These are forward purchases, for the most part.

Foreign currency purchase flows represented approximately 2.9% of 2019 total purchases, compared with 2.9% over 2018.

Foreign currency-denominated sales are not hedged as they are not significant (less than 0.2% of revenue).

The acquisition during the year of LTI Vostok (Youth TV division) exposed the Group to foreign exchange risk on the Russian rouble. This risk was not specifically hedged; it arose mainly from unhedged bank balances.

Analysis of exposure to operational foreign exchange risk at 31 December 2019

	USD (€ millions) ⁽¹⁾		RUB (€ millions) ⁽¹⁾
	31/12/2019	31/12/2018	31/12/2019
Assets	5.0	2.9	3.6
Liabilities	(4.8)	(1.5)	(0.2)
Off-balance sheet	(17.9)	(6.1)	-
Gross foreign exchange exposure	(17.8)	(4.7)	3.4
Hedges	20.4	5.5	-
NET FOREIGN EXCHANGE EXPOSURE	2.6	0.7	3.4

⁽¹⁾ at closing rate:

1.1121

1.1306

69.8735

In order to hedge against market risks, the Group put into place 57 new foreign exchange hedges during the year in relation to its USD-denominated liabilities, for a total value of €33.3 million.

At 31 December 2019, the Group's gross exposure in US dollars was a negative €17.8 million, including €17.9 million relating to off-balance sheet commitments. At the same date, hedging totalled €20.4 million (cash-flow hedges). The €2.6 million excess hedge (long position) thus mainly reflects US dollar bank balances that do not need to be hedged.

The risk of loss on the overall net exposed position would yield a €0.2 million loss in the event of an unfavourable and consistent 10% movement of the Euro against the US dollar.

Derivative financial instruments

Accounting principles, rules and methods:

M6 Group is principally exposed to foreign exchange rate risk when purchasing broadcasting rights in a foreign currency. In order to protect itself from foreign currency exchange risk, the Group uses simple derivative instruments guaranteeing it a hedged amount and a maximum exchange rate for this hedged amount.

The Group's use of derivative instruments is with the sole aim of hedging commitments arising from its activity, and never for a speculative purpose.

Determination of fair value

In accordance with IFRS 7 - *Financial Instruments: Disclosures*, and IFRS 9 - *Financial Instruments*, derivative financial instruments are measured at fair value, based on a valuation carried out by a third party derived from observable market data. The fair value of foreign currency purchase contracts is therefore calculated with reference to a standard forward exchange rate for contracts with similar maturity profiles. The fair value of interest rate swaps is determined with reference to the market values of similar instruments.

Financial instruments qualifying as hedges

The Group has decided to apply hedge accounting to the majority of its derivative instruments in order to reduce the impact on profit of hedges implemented.

At 1 January 2018, when IFRS 9 entered into force, the Group opted to continue to apply the provisions of IAS 39 on hedge accounting.

The main hedge instruments authorised within the framework of the Group hedging policy are as follows: pure time, first generation options and swaps (currency or interest rate).

The hedging policies adopted by the Group are mainly of two types:

- Hedging the exposure to movements in the fair value of an asset or liability

All gains or losses from the revaluation of the hedging instrument to fair value are immediately recognised in the income statement.

All gains and losses on the hedged item attributable to the hedged risk adjust the book value of the hedged item and are recognised in the income statement.

This results in symmetric recognition of movements in fair value of the hedged item and the hedging instrument for the effective part of the hedge in EBITA. The ineffective part of the hedge is recorded in finance income/expense.

- Hedging future cash flows

This involves hedging the exposure to movements in cash flow that is attributable either to a forecast transaction or to a firm commitment. Movements in the fair value of the financial instrument, as regards the effective portion, are recognised under other items of comprehensive income until the balance sheet recognition of the asset or liability. When the hedged item is recorded and leads to the recognition of an asset or a liability, the amount recorded in equity is transferred and included in the initial value of the cost of acquisition of the asset or liability. As regards the ineffective portion, movements in value are recognised in finance income/expense.

For all other cash flow hedges, the amounts taken directly to other items of comprehensive income are transferred to the income statement for the year in which the forecast transaction or firm commitment affects the income statement.

Financial instruments not qualifying as hedges

Certain financial instruments are not treated as hedges according to the definition of IFRS 9 - *Financial Instruments*, despite effectively being hedge instruments used to manage economic risks. Gains and losses resulting from the revaluation of financial instruments which may not be accounted for as hedges are recognised in the income statement of the period.

They are classified as other current financial assets when the market value of the instruments is positive and classified as current financial liabilities when their market value is negative.

IFRS 13 – *Fair value measurement*, which was applied for the first time to assets and liabilities in 2013, had no significant impact on the fair value of derivative financial instruments at 31 December 2019, unchanged from 31 December 2018.

Fair value

Net balance sheet positions of derivatives were as follows:

	31/12/2019	31/12/2018
	Fair value	Fair value
Forward call contracts		
Métropole Télévision	0.0	0.0
SND	(0.0)	0.1
HSS	0.0	0.0
TOTAL	0.0	0.2

The €0.04 million fair value of derivative financial instruments at 31 December 2019 reflected virtually no difference between year-end rate used for the valuation (USD 1.1121) and the average rate of hedges in inventory (USD 1.1262) at the end of December 2019 (a 1.3% uplift).

The €0.2 million fair value of derivative financial instruments at 31 December 2018 reflected the positive difference between year-end rate used for the valuation (USD 1.1306) and the average rate of hedges in inventory (USD 1.1895) at the end of December 2018 (a 5.2% uplift).

Maturities

The maturity of hedge instruments (nominal value of the hedge expressed in euro at the year-end forward hedge rate) was as follows:

	31/12/2019			31/12/2018		
	Total	< 1 year	1 - 5 years	Total	< 1 year	1 - 5 years
Métropole Télévision	5.0	5.0	-	0.3	0.3	-
SND	8.4	4.8	3.5	1.8	1.8	-
HSS	7.1	7.1	-	3.0	3.0	-
TOTAL	20.5	17.0	3.5	5.2	5.2	-

There were more US dollar-denominated contracts in the year, and exposure was significantly higher than in 2018.

Interest rate risk

Interest rate risk management relating to the Group's net cash position is based on the consolidated position and market conditions.

The main objective of the interest risk management policy is to optimise the cost of Group financing and maximise cash management income.

Short-term rates have been negative since 2014; the Group's investments and financing facilities are based on €STR (the euro short-term rate, which has replaced Eonia) or Euribor floored at zero, minimising the risk arising from fluctuating indices.

The Group is little exposed to exchange risks.

The main features of financial assets and financial liabilities are as follows:

Maturity schedule of financial debt and financial assets at 31 December 2019

(€ millions)	< 1 year	1 - 5 years	> 5 years	Total
Variable rate financial assets	46.0	5.7	-	51.7
Other fixed-rate financial assets	-	0.7	-	0.7
TOTAL FINANCIAL ASSETS	46.0	6.4	-	52.4
Variable rate financial debt	(25.0)	(0.1)	(10.0)	(35.2)
Other fixed-rate financial liabilities	(0.6)	(50.2)	(65.1)	(115.9)
Fixed-rate lease liabilities	(8.0)	(26.4)	(8.7)	(43.1)
TOTAL FINANCIAL LIABILITIES	(33.7)	(76.8)	(83.8)	(194.2)

The Group had net financial debt of €141.8 million at 31 December 2019. Excluding lease liabilities, the net liability comes to €98.7 million. Assets consist of amounts held in interest-bearing accounts and time deposits; liabilities consist of bond issues and shareholder's loans.

The financing provided by the Group to its jointly controlled subsidiaries is treated as a financial asset.

Share risk

To the extent that the Group does not own any listed financial assets, share risk exposure only relates to treasury shares.

Treasury shares are recorded at their acquisition cost as a reduction of equity. Therefore, M6 Group share price movements have no impact on the Group's consolidated financial statements.

Cash management policy

The Group's cash management policy is designed to ensure that cash resources can be mobilised rapidly while limiting capital risk. The Group's approach is absolutely prudent and non-speculative.

All investments made by the Group meet the criteria of IAS 7 - *Statement of Cash Flows*.

The corresponding deposits are thus considered as cash equivalents, since they are liquid, can easily be converted into a known amount of cash and are subject to a negligible risk of change in value.

The matter of counterparty risk remains topical and the Group pays particular attention to the selection process of instruments and to diversifying counterparties and depositaries.

Investment yields are regularly measured and reported to management every month. A detailed analysis of the various risks of these deposits is also made quarterly.

21. Shareholders' equity

Accounting principles, rules and methods:

Treasury shares are recorded as a reduction to shareholders' equity at their purchase cost.

When future contracts are entered into to purchase treasury shares at a given price and on a given date, the commitment is reflected by the recognition of a financial liability representative of the discounted buyback value and offset against equity. Subsequent variations in the value of this financial liability are recognised under finance income and expense.

On the disposal of treasury shares, gains and losses are recorded in consolidated reserves, net of tax.

21.1. Share capital management policy

Management of the Group's shareholders' equity primarily refers to the dividend distribution policy and more generally to the remuneration of Métropole Télévision shareholders.

Despite the loans taken out at the time of the acquisitions of the RTL Group's Radio Division, and the Youth TV Division the Group maintains a substantial borrowing capacity, in terms of borrowings from banks as well as from its majority shareholder, providing it with significant potential for investments.

As regards shareholder returns, the Group is committed, in accordance with Article 40 of its Articles of Association, to maintaining a long-term payout ratio of at least 80%. The average ratio over the past five years was 80% of net earnings (from the Group's share of continuing operations) per share. In 2019, the Group paid an ordinary dividend of €1.0 per share.

Furthermore, the Executive Board of Métropole Télévision was granted an authorisation to buy back its own shares by the Combined General Meeting of 26 April 2016, with the following objectives:

- to stimulate the Métropole Télévision share secondary market or the share liquidity through an investment service provider, within the framework of a liquidity contract complying with the AMAFI Ethics Charter approved by the AMF;
- to retain the shares purchased and ultimately use them via exchange or payment within the framework of potential acquisitions, provided that the shares acquired for this purpose do not exceed 5% of the Company's share capital;
- to provide adequate coverage for performance share allocation plans and other forms of share allocations to Group employees and/or corporate officers within the conditions and according to the methods permitted by law, notably in order to share the profits of the Company, through a company savings plan or by the granting of performance shares;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to potentially cancel the purchased shares.

During the financial year ended 31 December 2019 and pursuant to this authorisation:

- Daily market transactions were carried out by Métropole Télévision as part of the liquidity contract;
- Métropole Télévision bought and delivered shares to cover its performance share allocation plans.

In addition, ahead of the next deliveries of performance shares in 2021 and 2022, Métropole Télévision has entered into three forward purchase contracts for 300,000 and 200,000 treasury shares respectively, which will mature on 30 July 2021 and 31 March 2022.

Furthermore, the Company comes within the scope of Article 39 of the Law no 86-1067 of 30 September 1986 as amended, as well as Law no 2001-624 of 17 July 2001, which state that an individual or entity, acting alone or in concert, shall not hold, directly or indirectly, more than 49% of the capital or voting rights of a company licensed to operate a nationwide television service by terrestrial transmission. Therefore, any decision liable to have a dilutive or enhancing effect on existing shareholders must be assessed in the light of this specific legal requirement.

21.2. Shares comprising Métropole Télévision's capital

(thousands of shares)	Ordinary shares issued	Treasury shares held	Shares outstanding
NUMBER OF SHARES AT 1 JANUARY 2018	126,414	420	125,994
Movement in treasury shares:			
- held for the purpose of allocating performance shares	-	175	-
- held as part of the liquidity contract	-	97	-
Implementation of the share buyback programme for cancellation	-	-	-
NUMBER OF SHARES AT 31 DECEMBER 2018	126,414	692	125,722
Movement in treasury shares:			
- held for the purpose of allocating performance shares	-	12	-
- held as part of the liquidity contract	-	(8)	-
Implementation of the share buyback programme for cancellation	-	-	-
NUMBER OF SHARES AT 31 DECEMBER 2019	126,414	696	125,718

The shares making up the capital of Métropole Télévision are all ordinary shares with one vote each. All shares are fully paid up.

Six performance share allocation plans for the benefit of certain members of management and senior executives of the Group were in place at 31 December 2019 (see Note 8 - *Share-based payments*).

21.3. Movements in equity not recorded in the income statement

Movements in the fair value of derivative financial instruments, actuarial gains and losses and foreign exchange differences are recorded in other items of comprehensive income and added to the "other reserves" caption of equity.

Movements in actuarial gains and losses are accounted for as other items of comprehensive income and are added to the “consolidated reserves” caption.

The net impact on equity, under other reserves and consolidated reserves, was as follows:

BALANCE AT 1 JANUARY 2018	(17.0)
New hedges	0.1
Previous hedge variations	-
Maturity of hedges	4.1
Equity instruments measured at fair value	-
Change in value of translation adjustment	0.1
Movement in pension commitments	1.3
TOTAL MOVEMENTS OF THE PERIOD	5.6
BALANCE AT 31 DECEMBER 2018	(11.5)
New hedges	(4.8)
Previous hedge variations	0.0
Maturity of hedges	3.4
Equity instruments measured at fair value	0.2
Change in value of translation adjustment	0.2
Movement in pension commitments	(3.3)
TOTAL MOVEMENTS OF THE PERIOD	(4.3)
BALANCE AT 31 DECEMBER 2019	(15.8)

22. Retirement benefits

Accounting principles, rules and methods:

Retirement benefits

The Group has retirement benefit commitments under defined benefit plans.

A defined benefit plan is a post-employment benefit plan under which payments made to a distinct entity do not discharge the employer from its obligation to pay additional contributions.

The Group’s net obligation in respect of defined benefit plans is measured using the value of future benefits acquired by personnel in exchange of services rendered during the current and previous periods. This amount is discounted to measure its present value. The discount rate is equal to the interest rate, at the balance sheet date, of top-rated bonds with a maturity date close to that of the Group’s commitments and denominated in the same currency as that used to pay out benefits.

Calculations are carried out every year by a qualified actuary using the projected unit credit method.

The Group immediately recognises against other items of comprehensive income all actuarial differences arising in respect of defined benefit plans.

Severance pay

Severance pay is recognised as an expense when the Group is obviously committed, with no real possibility to retract and as part of individually negotiated terms, to a formal and detailed redundancy plan before the normal retirement age.

Short-term benefits

Obligations arising from short-term benefits are measured on a non-discounted basis and recognised as corresponding services are rendered.

A liability is recognised for the amount the Group expects to pay in respect of employee profit-sharing plans and for bonuses paid in short-term cash when the Group has an actual obligation, legal or constructive, to make these payments as consideration for past services rendered by personnel and this obligation may be reliably assessed.

Commitments undertaken in respect of retirement benefits severance pay are not covered by any dedicated insurance contract or assets.

Main actuarial assumptions

	31/12/2019	31/12/2018
Discount rate	0.70	1.60
Future salary increases *	2.83	2.83
Inflation rate	2.00	2.00
<i>* median measured on the basis of age and position</i>		

The discount rate is determined at the year-end date based on market rates for high-quality corporate bonds that are rated AA, and depending on the term and characteristics of the scheme.

Income statement expenses

	31/12/2019	31/12/2018
Current service cost	(2.5)	(2.6)
Interest expense	(0.5)	(0.6)
Decreases	0.9	0.8
Plan changes	(0.8)	-
NET EXPENSE	(2.9)	(2.4)

Provision and present value of obligation

	31/12/2019	31/12/2018
Value of obligation - opening balance	37.9	42.3
Current service cost, reductions/termination	2.5	2.6
Interest expense	0.5	0.6
Decreases	(0.9)	(0.8)
Benefits paid	(1.9)	(4.3)
Plan change	0.8	-
Actuarial gain or loss - Changes in financial assumptions	5.3	(0.5)
Actuarial gain or loss - Experience effect	(0.8)	(1.0)
Change in Group structure	2.0	(1.0)
Obligation of assets held for sale	(0.3)	-
VALUE OF OBLIGATION - CLOSING BALANCE	45.0	37.9

The cumulative actuarial losses recognised in other items of comprehensive income were €9.8 million at 31 December 2019.

Sensitivity to assumptions

Sensitivity analyses carried out on pension commitments gave the following results:

	+ 0.5%	- 0.5%
Sensitivity of obligation at year end:		
to a change in the discount rate	43.7	50.0
to a change in the rate of salary increase	49.7	44.0

23. Provisions

Accounting principles, rules and methods:

In compliance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, the Group recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources embodying economic benefits will be required, and when a reliable estimate can be made of the amount of the obligation.

The amount recognised under provisions is the best estimate of the cash outflow necessary to settle the present obligation at the balance sheet date.

In the event this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

Provisions are predominantly intended to cover probable costs of trials or litigation in process, of which the trigger event existed at the balance sheet date.

Provision movements between 1 January 2018 and 31 December 2019 were as follows:

	Provisions for retirement benefits	Provisions for restructuring	Provisions for litigations	Provisions for off-balance sheet rights	Other provisions for charges	Total
At 1 January 2018	42.3	2.6	21.2	32.7	21.2	120.0
Acquisition of subsidiaries	-	-	0.7	-	0.1	0.8
Disposal of subsidiaries	(1.0)	-	(0.6)	-	(1.7)	(3.3)
Charge for the period	3.3	-	6.4	9.1	7.1	25.8
Used	(4.3)	(1.2)	(6.5)	(26.3)	(4.3)	(42.6)
Unused reversals	(0.8)	(0.5)	(2.9)	(0.0)	(3.1)	(7.3)
Other movements	(1.5)	-	(0.2)	-	0.4	(1.3)
At 31 December 2018	37.9	0.9	18.1	15.4	19.8	92.1
Acquisition of subsidiaries	1.8	-	0.4	-	-	2.2
Disposal of subsidiaries	-	-	-	-	(0.4)	(0.4)
Charge for the period	10.0	0.1	6.5	12.0	7.5	36.1
Used	(1.9)	(0.4)	(0.6)	(10.2)	(7.1)	(20.2)
Unused reversals	(7.0)	(0.1)	(6.6)	(0.2)	(5.2)	(19.2)
Other movements*	4.2	-	0.0	(0.0)	(5.8)	(1.6)
At 31 December 2019	45.0	0.5	17.8	16.9	8.9	89.1
Current at 31 December 2018	-	0.9	18.1	15.4	19.7	54.1
Non-current at 31 December 2018	37.9	-	-	-	0.0	37.9
TOTAL	37.9	0.9	18.1	15.4	19.7	92.1
Current at 31 December 2019	-	0.5	17.8	16.9	8.9	44.0
Non-current at 31 December 2019	45.0	-	-	-	-	45.0
TOTAL	45.0	0.5	17.8	16.9	8.9	89.1

* Including (€3.4 million) in respect of initial application of IFRIC 23 – Uncertainty over income tax treatments.

Provisions at 31 December 2019 and 2018 are analysed by business segment as follows:

	31/12/2019	31/12/2018
Television	53.4	54.0
Radio	23.2	25.4
Production and Audiovisual Rights	4.0	3.9
Diversification	8.4	8.7
Other	0.1	0.1
TOTAL	89.1	92.1

● Litigations included in the “provisions for litigations” caption relate to all legal proceedings instituted against one or several Group companies, for which it is probable that the outcome will be unfavourable for the Group. In the large majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal).

Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group

● Provisions for off-balance sheet rights relate to the loss in value of broadcasting rights the Group is committed to purchase but are not yet included in balance sheet inventories.

The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) will not be broadcast during the anticipated programming slot may not be accounted for by writing down a balance sheet asset, and therefore was recognised through a provision for liabilities and charges.

The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.

Channels may also be committed to acquiring a throwaway programme or an event where the expected economic benefits are less than the value of the commitment.

The value of rights is notably written down when a programme or event is unlikely to be broadcast.

In any event, impairment losses are assessed and defined in consultation with the Group’s channels’ programming departments as part of a programme-by-programme portfolio review in light of audience targets attached to each programme and the editorial policy.

- “Other provisions for charges” relate to costs Métropole Télévision would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

- The amounts reported for all these types of provisions are the best possible estimate of the future outflow of Company resources, taking account of plaintiffs’ claims, judgements already passed, if applicable, or the management’s appraisal of similar instances and/or calculations made by the finance department.

The Group considers that the disbursement terms attached to these provisions come within the framework of its normal operating cycle, which justifies the classification of these provisions as current provisions.

24. Off balance sheet commitments / contingent assets and liabilities

Purchase of rights and co-production commitments (net)

These commitments mainly comprise:

- purchase commitments relating to rights not yet produced or completed;
- contractual commitments relating to co-productions awaiting receipt of technical acceptance or exploitation visa, net of prepayments made;

They are expressed net of advances and prepayments made in that respect for rights that are not yet recognised as inventories.

Image and signal transmission, satellite and transponders rental

These commitments relate to the supply of broadcasting services and the rental of satellite and transponder capabilities from private companies for digital broadcasting.

These commitments were measured using amounts remaining due up to the end date of each contract.

Non-cancellable leases

These liabilities correspond to property leases that have been signed but have not yet begun to run and thus, pursuant to IFRS 16 – *Leases*, are not recognised as assets and liabilities in the consolidated statement of financial position.

Responsibility for partnership liabilities

To the extent that the partners in a Partnership (Société en Nom Collectif - SNC) are liable in full and indefinitely for the liabilities of the partnership, the Group presents in full the liabilities of partnerships in which it is a partner, net of accruals and partners’ current account balances, as an off-balance sheet commitment given, and presents the other partners’ share of these liabilities as an off-balance sheet commitment received.

Sale of rights

These commitments comprise sales contracts of broadcasting rights that are not yet available at 31 December 2019.

Broadcasting contracts

These commitments relate to Group channel broadcasting contracts with Canal+ France and other distributors.

They were measured using amounts remaining due for each contract, up to the certain or probable contract end date.

None of the Group’s non-current assets have been pledged or mortgaged.

Off-balance sheet commitments are analysed as follows:

	< 1 year	1 - 5 years	> 5 years	Total 31/12/2019	Total 31/12/2018	Terms and conditions of implementation
Commitments given						
Purchase of audiovisual and radio rights and co-production commitments (gross) ⁽¹⁾	245.3	215.4	126.3	587.0	669.9	Contracts signed
Advances paid for the purchase of rights and co-production commitments	(11.4)	(9.5)	(47.5)	(68.4)	(69.3)	
<i>Purchase of audiovisual and radio rights and co-production commitments (net)</i>	<i>233.9</i>	<i>205.9</i>	<i>78.8</i>	<i>518.7</i>	<i>600.6</i>	
Image and signal transmission, satellite and transponders rental	35.4	33.9	0.1	69.3	74.4	Contracts signed
Non-cancellable property leases	0.1	2.7	1.2	4.0	55.9	Leases
Liability for debts	-	0.2	0.2	0.4	0.2	
Other	8.2	8.4	-	16.5	24.6	Contracts signed
TOTAL COMMITMENTS GIVEN	277.5	251.2	80.2	608.9	755.8	
Commitments received						
Sale of rights	15.5	10.2	-	25.8	28.4	Annual maturities
Broadcasting contracts	88.5	93.6	-	182.0	237.6	Contracts signed
Other	5.9	-	-	5.9	4.7	
TOTAL COMMITMENTS RECEIVED	109.9	103.8	-	213.7	270.7	

⁽¹⁾ The amount of the commitments given on the channels' broadcasting rights was €395.9 million at 31 December 2019.

At 31 December 2019, commitments given by the Group totalled €608.9 million, compared with €755.8 million at 31 December 2018.

This €146.9 million fall in commitments given primarily originated from the following movements:

- rights purchase commitments and co-production commitments – net of advance payments made – decreased by €81.9 million compared with 31 December 2018; this was primarily due to the purchase of rights under an output deal;
- The €51.9 million reduction in liabilities on non-cancellable property leases due to the application of IFRS 16 (see Note 4 – *Changes in methods*).

At 31 December 2019, commitments received by the Group totalled €213.7 million, compared with €270.7 million at 31 December 2018.

This €57.0 million fall in commitments received primarily resulted from the following movements:

- The decline in the Group's distribution contracts with its main partners – Altice-SFR, Bouygues Telecom, Free, Canal+ Group and Orange, renewed in 2018 and partly offset by the addition of the commitments of the Youth TV division;
- The €9.4 million impact of the termination of the commitment received from Orange in respect of managing the "M6 Mobile" subscriber base and brand licence.

25. Related parties

25.1. Identification of related parties

Related parties to the Group comprise joint ventures and associates, RTL Group – 48.26% Group shareholder, Bertelsmann AG – RTL shareholder, corporate officers and members of the Supervisory Board.

25.2. Transactions with shareholders

Borrowings from shareholders

At 31 December 2019, €25.0 million was borrowed from Bayard d'Antin.

In fact, under the terms of a framework cash pooling agreement signed between Bayard d'Antin SA and Métropole Télévision, the first implementation of which dates back to 1 December 2005, Métropole Télévision has the option of borrowing funds from Bayard d'Antin, as long as the amount borrowed does not exceed 48% of that borrowed from banking institutions for periods ranging from 1 week to 3 months; the terms and conditions being consistent with those of the market. The Group still has the option of depositing surplus cash with Bayard d'Antin, either on a day to day basis or by depositing part of it for a period not exceeding 3 months. The remuneration provided by this agreement is in line with the market.

The renewal of this agreement for a further period of 12 months was authorised by the Supervisory Board on 29 October 2019.

In order to adhere to the cash depositing policy of Métropole Télévision (described in Note 20.3), the deposit with Bayard d'Antin may not exceed a given ratio of the cash resources of the Métropole Télévision Group.

Current transactions

	31/12/2019		31/12/2018	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Sales of goods and services	10.7	0.5	8.0	1.2
Purchases of goods and services	(25.9)	(1.3)	(24.4)	(1.2)

Day-to-day transactions with shareholders have been conducted at arms' length, it being specified that purchases primarily include the purchase of programmes from production companies owned by RTL Group.

The outstanding balances arising from these sales and purchases are the following:

	31/12/2019		31/12/2018	
	RTL Group	BERTELSMANN (excl. RTL Group)	RTL Group	BERTELSMANN (excl. RTL Group)
Receivables	3.1	0.3	3.9	0.6
Liabilities	35.7	0.9	11.5	0.3

Specific transactions

M6 Group purchased the French radio division (RTL, RTL2 and Fun Radio) of RTL Group, its leading shareholder.

Following this acquisition, two contracts were concluded by the Group with its shareholders during the 2017 financial year.

One contract relates to the royalty fee for the RTL brand, while the second relates to the use of the long-wave licence.

25.3. Transactions with joint ventures

The following transactions have taken place between Group subsidiaries and joint ventures:

	31/12/2019	31/12/2018
Sales of goods and services	4.4	9.0
Purchases of goods and services	(0.1)	(0.1)

Sales and purchase transactions with joint ventures have been conducted at arms' length.

The net balance sheet positions were as follows:

	31/12/2019	31/12/2018
Receivables	3.4	2.5
<i>relating to financing</i>	0.8	0.3
Liabilities	0.3	1.6
<i>relating to financing</i>	0.2	1.6

Receivables relating to financing comprise profit of partnerships due to be transferred to the parent company.

Over the course of the 2019 financial year, dividends received from joint ventures totalled €0.5 million.

25.4 Transactions with associates

The following transactions have taken place between Group subsidiaries and associates:

At 100%	31/12/2019	31/12/2018
Sales of goods and services	0.6	1.3
Purchases of goods and services	(0.0)	-

Sales and purchase transactions with associates have been conducted at arms' length.

The net balance sheet positions were as follows:

	31/12/2019	31/12/2018
Receivables	0.3	0.3
<i>relating to financing</i>	0.3	0.3
Liabilities	-	-
<i>relating to financing</i>	-	-

Over the course of the 2019 financial year, dividends received from associates totalled €1.4 million.

25.4. Transactions with corporate officers

The remuneration paid in 2019 to the members of the Executive Board amounted to €5,039,342, of which €2,617,935 was fixed and €2,421,407 variable.

75,000 performance shares were allocated to members of the Executive Board in July 2019. No shares were delivered.

In addition, in this respect and in accordance with the same conditions as Group employees, the members of the Executive Board are entitled to a legally binding end of career payment (see Note 22).

Members of the Supervisory Board were paid a total of €233,186. Moreover, private individual members of the Supervisory Board or representing a legal entity member of the Supervisory Board held 15,500 Group shares in a personal capacity at 31 December 2019.

Total remuneration paid to the main corporate officers in respect of their duties within the Group, as referred to by IAS 24.17, was as follows:

	31/12/2019	31/12/2018
Short-term benefits		
Remuneration items	4.6	5.1
Other short-term benefits	0.0	0.0
Long-term benefits		
Share-based payments	1.0	1.4
TOTAL	5.6	6.5

Furthermore, detailed disclosure of remuneration is provided in Note 2.3 of the Universal Registration Document.

26. Statutory Auditors' fees

Statutory Auditors fees for the 2018 and 2019 financial years were as follows:

	EY				PWC				TOTAL			
	2019	2018	% 2019	% 2018	2019	2018	% 2019	% 2018	2019	2018	% 2019	% 2018
Audit												
Statutory Audit, Certification of parent company and consolidated financial statements	0.4	0.3	100%	98%	0.4	0.4	100%	100%	0.8	0.7	100%	99%
<i>Métropole Télévision</i>	0.1	0.1	24%	32%	0.1	0.1	23%	22%	0.2	0.2	23%	26%
<i>Fully consolidated subsidiaries</i>	0.3	0.2	76%	66%	0.3	0.3	77%	78%	0.6	0.5	77%	73%
Other services	0.0	0.0	0%	2%	0.0	0.0	0%	0%	0.0	0.0	0%	1%
<i>Métropole Télévision</i>	0.0	0.0	0%	0%	0.0	0.0	0%	0%	0.0	0.0	0%	0%
<i>Fully consolidated subsidiaries</i>	0.0	0.0	0%	2%	0.0	0.0	0%	0%	0.0	0.0	0%	1%
TOTAL	0.4	0.3	100%	100%	0.4	0.4	100%	100%	0.8	0.7	100%	100%
TOTAL in %	48%	41%			52%	59%						

27. Subsequent events

To the best of the Company's knowledge, no significant event that occurred since 1 January 2020 is likely to have, or to have had in the recent past, a significant impact on the Company and the Group's financial position, financial performance, activities and assets.

28. Consolidation scope

Company	Legal form	Nature of operations	31/12/2019		31/12/2018	
			% share capital	Consolidation method	% share capital	Consolidation method
TELEVISION						
Métropole Télévision - M6	SA	Parent company	-	FC	-	FC
89 avenue Charles de Gaulle - 92575 Neuilly-sur-Seine cedex						
M6 Publicité	SAS	Sales house	100.00%	FC	100.00%	FC
Ctzar	SAS	Agency specialised in influencer marketing	51.00%	FC	51.00%	FC
Sociaddict	SAS	Agency specialised in influencer marketing	51.00%	FC	51.00%	FC
Wild Buzz Agency	SAS	Event company	40.00%	EA	-	-
M6 Thématique	SAS	Holding company of free-to-air and pay DTT channels	100.00%	FC	100.00%	FC
Edi TV - W9	SAS	W9 free-to-air channel	100.00%	FC	100.00%	FC
M6 Génération - 6Ter	SAS	6TER free-to-air channel	100.00%	FC	100.00%	FC
M6 Communication - M6 Music	SAS	M6 Music pay channel	100.00%	FC	100.00%	FC
Paris Première	SAS	Paris Première pay channel	100.00%	FC	100.00%	FC
Sedi TV - Téva	SAS	Téva pay channel	100.00%	FC	100.00%	FC
Extension TV - Série Club	SAS	Série Club pay channel	50.00%	EA	50.00%	EA
Jeunesse TV	SAS	Free-to-air channel Gulli	100.00%	FC	-	-
Thematic youth channels	SAS	Pay-TV youth channels	100.00%	FC	-	-
LTI Vostok	SARL	Russian channel Tiji Russia	100.00%	FC	-	-
SNDA	SAS	Audiovisual rights distribution	100.00%	FC	100.00%	FC
Bedrock (formerly M6 Distribution)	SAS	Technical platform	100.00%	FC	100.00%	FC
M6 Distribution Digital	SAS	6Play	100.00%	FC	-	-
M6 Shop	SAS	Dormant	100.00%	FC	100.00%	FC
Salto	SNC	French OTT platform	33 ^{1/3} %	EA	-	-
Salto Gestion	SAS	Holding company of the French OTT platform	33 ^{1/3} %	EA	-	-
RADIO DIVISION						
ID (Information et Diffusion)	SARL	Production company	100.00%	FC	100.00%	FC
SERC - Fun Radio	SA	Fun Radio music radio station	100.00%	FC	100.00%	FC
Canal Star	SARL	Fun Radio local radio station	100.00%	FC	100.00%	FC
Sprgb Sarl	SARL	Fun Radio local radio station	100.00%	FC	100.00%	FC
Société Communication A2B	SARL	Fun Radio local radio station	100.00%	FC	100.00%	FC
Gigasud sarl	SARL	Fun Radio local radio station	100.00%	FC	100.00%	FC
Sodera - RTL	SA	RTL2 music radio station	100.00%	FC	100.00%	FC
Média Stratégie	SARL	RTL2 local radio station	100.00%	FC	100.00%	FC
FM Graffiti	SARL	RTL2 local radio station	100.00%	FC	100.00%	FC
Radio Golfe	SARL	RTL2 local radio station	100.00%	FC	100.00%	FC
Radio Porte Sud	SARL	RTL2 local radio station	100.00%	FC	100.00%	FC
RTL France Radio	SAS	RTL Radio	100.00%	FC	100.00%	FC
PRODUCTION AND AUDIOVISUAL RIGHTS						
M6 Films	SA	Co-production of films	100.00%	FC	100.00%	FC
M6 Studio	SAS	Production of animated feature films	100.00%	FC	100.00%	FC
C. Productions	SA	Programme production	100.00%	FC	100.00%	FC
Studio 89 Productions	SAS	Production of audiovisual programmes	100.00%	FC	100.00%	FC
GM6 - Golden Network	SAS	Digital production and publishing	100.00%	FC	100.00%	FC

Société Nouvelle de Distribution	SA	Distribution of films to movie theatres	100.00%	FC	100.00%	FC
Société Nouvelle de Cinématographie	SA	Audiovisual rights production/distribution	-	F	100.00%	FC
Les Films de la Suane	SARL	Audiovisual rights production/distribution	-	F	100.00%	FC
SNC Catalogue MC	SAS	Audiovisual rights production/distribution	-	F	100.00%	FC
SNC Audiovisuel FF	SAS	Audiovisual rights production/distribution	-	F	100.00%	FC
DIVERSIFICATION						
M6 Foot	SAS	Holding company - Sports	100.00%	FC	100.00%	FC
M6 Interactions	SAS	Entertainment and exploitation of merchandising rights	100.00%	FC	100.00%	FC
M6 Événements	SA	Event production	100.00%	FC	100.00%	FC
M6 Editions	SA	Print publications	100.00%	FC	100.00%	FC
M6 Digital Services	SAS	Internet content and access provider	100.00%	FC	100.00%	FC
Elephorm	SAS	Internet company	34.00%	EA	34.00%	EA
M6 Hosting	SAS	Web hosting and managed services	100.00%	FC	100.00%	FC
QuickSign	SAS	Various specialised, scientific and technical activities	23.90%	EA	24.14%	EA
Panora Services	SAS	Online bank comparison engine	50.00%	EA	50.00%	EA
M6 Créations	SAS	Production of audiovisual works	100.00%	FC	100.00%	FC
Stéphane Plaza France	SAS	Estate agent	49.00%	EA	49.00%	EA
HSS sub-group						
Home Shopping Service	SA	Teleshopping programmes	100.00%	FC	100.00%	FC
HSS Belgique	SA	Teleshopping programmes	100.00%	FC	100.00%	FC
HSS Hongrie	SA	Teleshopping programmes	-	-	100.00%	FC
Unité 15 Belgique	SA	Customer service	100.00%	FC	100.00%	FC
Joikka	SAS	Online jewellery selling	100.00%	FC	100.00%	FC
Luxview	SAS	E-commerce	100.00%	FC	95.56%	FC
Optilens	SPRL	E-commerce	100.00%	FC	100.00%	FC
Best of TV	SAS	Wholesale trade	51.00%	FC	51.00%	FC
Best of TV Benelux	SPRL	Wholesale trade	100.00%	FC	100.00%	FC
PROPERTY - DORMANT COMPANIES						
Immobilière 46D	SAS	Neuilly building	100.00%	FC	100.00%	FC
Immobilière M6	SAS	Neuilly building	100.00%	FC	100.00%	FC
SCI du 107	SCI	Neuilly building	100.00%	FC	100.00%	FC
M6 Group						
M6 Bordeaux	SAS	Local TV station	100.00%	FC	100.00%	FC
M6 Diffusion	SA	Holding company - digital operations	100.00%	FC	100.00%	FC
M6 Développement	SASU	Training organisation	100.00%	FC	100.00%	FC
SND USA	INC	Holding Company - audiovisual rights	100.00%	FC	100.00%	FC
SND Films	LLC	Development of cinematographic works	100.00%	FC	100.00%	FC
ASSETS HELD FOR SALE						
iGraal	SAS	Internet company	100.00%	FC	51.00%	FC
INVESTMENTS SOLD OR DECONSOLIDATED						
Life TV	SA	DTT channel	12.50%	-	33.33%	EA
6&7	SAS	Music production and publishing company	-	-	49.00%	EA

FC: FC: Full consolidation

EA: Equity accounted M: Merged

The Group is not a shareholder or participating stakeholder in any special purpose entities.

5.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine

ERNST & YOUNG et Autres
Tour First TSA 14444
92037 Paris-La Défense Cedex
Simplified joint stock company with variable capital

Statutory Auditors' report on the consolidated financial statements (Financial year ended 31 December 2019)

To the Shareholders' General Meeting,
Métropole Télévision
89, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine, France

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Métropole Télévision for the year ended 31 December 2019.

In our opinion, the consolidated financial statements provide a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We have performed our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described herein in the section "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" of this report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics for Statutory Auditors.

Observation

Without qualifying the opinion expressed above, we draw attention to Note 4 to the consolidated financial statements which details the conditions and impact of the first-time application at 1 January 2019 of IFRS 16 "Leases" and IFRIC 23 "Uncertainty over Income Tax Treatments".

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement which, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. Accordingly, we do not provide any opinions on specific items of the consolidated financial statements.

Measurement of broadcasting rights inventories, off-balance sheet items and provisions for broadcasting rights

Risk identified

M6 Group buys programme in order to broadcast them on all of the Group's channels. The purchase commitments are treated as off-balance sheet commitments until the period when the rights become available. Once the rights are available, they are recorded in broadcasting rights inventories.

A provision is established when Management, on the basis of a title-by-title review of the rights portfolio, considers that a programme will not be broadcast in the timeslot for which it was acquired.

We considered this issue as a key point of the audit due to the material amount of the rights portfolio in the Group's financial statements, and because any provisions arising from that portfolio are dependent by nature on Management forecasts regarding audience figures and whether programmes can be broadcast or not.

At 31.12.2019		(€ millions)	Appendix
	<i>Gross value of inventory</i>	469.9	Note 17
	<i>Accumulated amortisation</i>	(189.6)	Note 17
Net value of rights inventory		280.2	
Off-balance sheet rights purchase commitments (*)		395.9	Note 24
Provision for off-balance sheet rights		(16.9)	Note 23

* Off-balance sheet commitments excluding co-production rights, purchase of football broadcasting rights and writing contracts

Our response

In order to assess the reliability of Management assumptions, we have notably:

- Analysed, for a selection of programmes, the consistency of broadcasting forecasts with the audience trajectories of the programmes and the risk of non-broadcast, particularly with regard to the expiry date of the rights;
- We compared the actual broadcast windows with the broadcast windows anticipated by Management on a test basis.

We also verified:

- The reclassification of provisions for programmes previously carried as off-balance sheet commitments and transferred to inventories when the rights become available;
- That the calculation of the provisions was compliant with the accounting rules and methods, as set out in Note 17 to the consolidated financial statements.

Recognition of revenue, and estimation of receivables and credit notes linked to advertising revenues

Risk identified

Advertising revenues were €1,107.9 million in the Group's consolidated financial statements. Their recognition is based on the broadcasting of advertisements. Commercial discounts are granted to advertisers according to general and special terms and conditions, which are reflected in the award of credit notes during the year and at year-end, as described in Note 6 "Segment reporting" to the consolidated financial statements, and depending on whether a contractually agreed audience level is reached.

We considered that the recognition of revenue and the estimation of the level of receivables and credit notes are key points of the audit in view of their material amount in the Group's financial statements, and the diversity and number of agreements existing between the Group and its customers, as well as of the judgement required to estimate the credit notes and the recoverable nature of trade receivables at the year-end.

Our response

Our audit approach to the recognition of revenue and the estimation of receivables and customer credit notes includes both tests on internal control, and substantive controls on the financial statements.

Our work on internal control primarily covered the contractualisation, invoicing, recovery, and estimation of the credit notes, and the recognition of revenue. We have reviewed and tested the controls deemed to be key that were implemented by the Group in relation to these various aspects. A number of members with particular expertise in information systems have been included in our team in order to test certain application controls on the data integrated into the system and used as a basis for revenue recognition.

Our substantive controls relating to revenue and to the estimation of the receivables and credit notes specifically consisted in:

- Analysing the revenue depending on the trend in the advertising market and external data;
- Reviewing the correlation between full-year revenue and the changes in cash and trade receivables;
- Analysing the contractual clauses in a sample of contracts in order to assess the correct measurement of revenue and year-end credit notes;
- Verifying that the year-end credit notes, for which a provision had been established at the end of the previous financial year, were issued during the financial year;
- Reviewing the processes for estimating provisions for impairment of trade receivables

Measurement of goodwill

Risk identified

At 31 December 2019, goodwill totalled €366.5 million in the consolidated financial statements. This goodwill has been recognised under business combinations in accordance with IFRS 3, revised.

Notes 5 "Business combinations / Changes in the scope of consolidation" and 15 "Goodwill impairment tests and intangible assets with an indeterminable life" in the notes to the consolidated financial statements describe the processes for performing the impairment tests.

We considered that the measurement of these goodwill amounts is one of the key points of the audit due to (i) their material amount in the Group's financial statements, and (ii) the estimates and assumptions used to determine their recoverable value, which is based on discounted cash flow forecasts, the achievement of which is by nature uncertain.

Our response

We reviewed the processes for performing impairment tests, and especially the determination of cash generating units, and the methods for estimating recoverable value.

Furthermore, we assessed the reasonable nature of the main estimates used by Management to draw up the cash flow forecasts based on the information available, including the market outlook, and past performance.

We assessed the relevance of the discount rates used, and reviewed the sensitivity tests performed by Management. We also assessed the appropriateness of the information provided in the notes to the consolidated financial statements. In 2019, the Group finalised the acquisition of the entire capital of the companies that make up Lagardère Group's Television division (excluding Mezzo), namely Jeunesse TV and Lagardère Thématiques. The final acquisition price, after price adjustment, was €223.6 million and was paid in full.

The Group has applied the purchase method to recognise this business combination based on IFRS 3 revised and has recognised provisional goodwill of €193.1 million, calculated on the basis of all of the net assets acquired.

We considered the integration of the acquired entities in the Group's consolidated financial statements as a key point of the audit due to the material nature of this acquisition for the Group and the judgement inherent to identifying and valuing the identifiable assets acquired and liabilities assumed.

Our response

We have familiarised ourselves with the purchase agreement entered into by the Group and the vendors, as well as with the system organised by Management to assess and recognise the takeover of these companies.

Our work consisted in:

- verifying the applicability of IFRS 3 revised to the accounting treatment of this business combination;
- familiarising ourselves with the process implemented by Management to identify and measure the assets and liabilities of the entities acquired;
- carrying out audit processes on the opening balance sheets of the entities acquired at 1 September 2019;
- review goodwill calculation;
- assess the appropriateness of the information provided in Notes 5.1 and 15 to the consolidated financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by law and regulations on the information relating to the Group given in the Executive Board's Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We certify that the consolidated non-financial statement provided for by Article L.225-102-1 of the French Commercial Code is included in the Management Report, it being specified that in accordance with the provisions of Article L.823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained in this statement which has to be subject to a report by an independent third party.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Métropole Télévision by the General Meetings of 3 May 2002 for ERNST & YOUNG et Autres and 6 May 2008 for PricewaterhouseCoopers Audit.

At 31 December 2019, ERNST & YOUNG et Autres was in the 18th year of uninterrupted engagement and PricewaterhouseCoopers Audit was in the 12th year of uninterrupted engagement.

Management and individuals responsible for corporate governance in relation to the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or that it will cease to operate.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been prepared by the Executive Board.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Audit objectives and approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions that users take on the basis of these parent company financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit.

Furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the procedures relating to the preparation and processing of accounting and financial information that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 24 February 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Marty

Ernst & Young et Autres

Bruno Bizet

5.4 PARENT COMPANY FINANCIAL STATEMENTS AT 31/12/2019

Balance Sheet - Assets

(€ millions)	Note n°	31/12/2019			31/12/2018
		Gross	Am., Dep. & Prov.	Net	
Intangible assets	3.1	300.3	230.3	70.0	70.4
Intangible assets in progress	3.1	5.4	-	5.4	-
Technical facilities, equipment & tools	3.2	50.6	44.2	6.5	7.7
Other property, facilities and equipment	3.2	33.1	22.1	11.0	10.7
PFE under construction	3.2	3.7	-	3.7	4.7
Equity investments	3.3	416.7	64.2	352.5	354.1
Other investments	3.3/3.5	3.1	-	3.1	2.8
NON-CURRENT ASSETS		813.0	360.8	452.2	450.3
Broadcasting rights inventories	3.4	354.3	164.3	190.0	189.3
Advances and prepayments paid on orders		74.4	-	74.4	73.8
Trade receivables	3.5	289.3	3.1	286.2	326.0
Other receivables	3.5	445.8	-	445.8	208.0
Marketable securities	3.6	18.3	-	18.3	17.9
Bank and cash	3.6	20.3	-	20.3	104.8
Prepaid expenses	3.7	49.1	-	49.1	40.4
CURRENT ASSETS		1,251.5	167.4	1,084.1	960.2
Loan issue costs to be apportioned over time		0.1	-	0.1	0.1
Bond redemption		0.1	-	0.1	0.2
TOTAL ASSETS		2,064.7	528.1	1,536.6	1,410.8

Balance Sheet – Equity and Liabilities

(€ millions)	Note n°	31/12/2019	31/12/2018
Share capital	3.8	50.6	50.6
Share premium	3.8	7.6	7.6
Legal reserve	3.8	5.3	5.3
Retained earnings	3.8	358.5	317.3
Financial year net profit	3.8	155.8	167.0
Regulated provisions	3.8	0.2	0.7
SHAREHOLDERS' EQUITY		578.0	548.4
Provisions for liabilities	3.9	17.2	12.8
Provisions for charges	3.9	37.1	43.3
PROVISIONS FOR LIABILITIES AND CHARGES		54.3	56.1
Bonds and other financial debt	3.10	125.6	50.3
Bank overdrafts	3.10	0.6	2.2
Trade payables	3.10	235.8	230.5
Tax and social security payable	3.10	78.5	80.3
Liabilities on non-current assets	3.10	-	-
Other liabilities	3.10	457.1	436.3
Deferred revenues		6.6	6.6
TOTAL LIABILITIES		904.2	806.3
Deferred translation loss		-	-
TOTAL EQUITY & LIABILITIES		1536.6	1410.8

Income Statement

(€ millions)	Note n°	31/12/2019	31/12/2018
Revenue	4.1	682.5	703.8
Own work capitalised		2.8	2.7
Amortisation, depreciation & provision reversals		64.4	80.6
Other revenues		66.1	91.8
OPERATING REVENUES		815.8	878.9
Merchandise purchases and movements in inventories	4.2	336.9	354.3
Other purchases and external costs	4.3	117.9	124.2
Taxes and duties	4.4	57.2	51.3
Employee costs	4.6	105.5	109.2
Non-current asset depreciation and amortisation	3.1/3.2	11.3	10.8
Non-current asset writedowns	3.1	5.0	6.1
Current asset writedowns	3.4/3.5	42.7	65.2
Provisions for liabilities and charges		14.3	13.5
Other expenses	4.5	32.7	29.8
OPERATING EXPENSES		723.5	764.4
OPERATING PROFIT		92.3	114.5
Investments financial income (excluding current account interests)		102.9	75.6
Interest and other financial income		1.0	1.1
Financial provision reversals		0.9	14.8
Foreign exchange gains		-	0.1
Net income from disposal of marketable securities		0.1	-
FINANCIAL INCOME		105.0	91.6
Interest and financial expenses		2.2	1.7
Financial depreciation, amortisation and provision charges		1.6	-
Foreign exchange gains and losses		-	-
Net expense on disposal of marketable securities		-	0.3
FINANCIAL EXPENSES		3.8	2.1
NET FINANCIAL INCOME/(EXPENSE)	4.7	101.2	89.5
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX		193.6	204.0
Exceptional income - capital transactions		6.4	38.8
Exceptional depreciation, amortisation and provision reversals		10.5	19.0
EXCEPTIONAL INCOME		16.8	57.8
Exceptional expense - capital transactions		8.3	48.3
Exceptional depreciation, amortisation and provision charges		8.8	9.8
EXCEPTIONAL EXPENSES		17.0	58.2
NET EXCEPTIONAL INCOME/(EXPENSE)	4.8	(0.2)	(0.4)
Employee shareholding		4.3	4.7
Income tax	4.9/4.10	33.2	31.9
NET PROFIT		155.8	167.0

5.5 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1	Financial year highlights	245
2	Accounting rules and methods	245
3	Notes to the parent company balance sheet	248
4	Notes to the parent company income statement	254
5	Other notes	256

Métropole Télévision reported a net profit of €155.8 million with total assets of €1,536.6 million for the 12-month financial year ended 31 December 2019.

These annual financial statements were approved by the Executive Board on 12 February 2020 and reviewed by the Supervisory Board on 13 February 2020.

Unless otherwise stated, the amounts presented in the notes are expressed in millions of Euros.

1. Financial year highlights

The 2019 financial year was marked by a large number of acquisitions and disposal of securities:

- Following the acquisition of RTL Group's French Radio division in 2017, an earn-out totalling €1.5 million was paid by Métropole Télévision in 2019.
- On 21 March 2019, Métropole Télévision's stake in Côte d'Ivoire Life TV fell from 33.34% to 12.5% in exchange for cancellation of the €2.5 million debt recognised at 31 December 2018.
- Furthermore, on 24 July 2019 Métropole Télévision arranged a €75 million Schuldschein loan to finance the acquisition in full by the Group of Jeunesse TV and Lagardère Thématiques (renamed Jeunesse Thématiques), which notably produce the Gulli, Canal J and Tiji channels.
- Following a decision to distribute shares made by its subsidiary M6 Digital Services on 27 June 2019, Métropole Télévisions was awarded Bedrock shares in proportion to the rights it held in M6 Digital Services.
- Following a decision to distribute shares made by its subsidiary Bedrock on 2 December 2019, Métropole Télévisions was awarded M6 Distribution Digital shares in proportion to the rights it held in Bedrock. Métropole Télévision thus owns 6.75% of M6 Digital Services, 6.75% of Bedrock and 6.75% of M6 Distribution Digital.

2. Accounting rules and methods

The financial statements for the financial year are presented in the general accounting rules, principles and methods defined by the French Chart of Accounts as presented in Regulation n°2014-03 of the *Autorité des Normes Comptables* (ANC) of 5 June 2014, supplemented by subsequent regulations.

Generally accepted accounting practices were applied in compliance with the principles of prudence, true and fair presentation and consistency, in accordance with the following basic assumptions:

- going concern,
 - consistency of accounting policies,
 - independence of the accounting periods,
- and according to the general rules of preparation and presentation of annual financial statements.

2.1. Intangible assets

Intangible assets principally comprise business goodwill, computer software and co-production rights.

BUSINESS GOODWILL

This consists of the non-assignable portion of the technical merger loss. It is non-amortisable and is tested for impairment in subsequent periods. An impairment loss is recognised if its present value falls below its net carrying amount.

COMPUTER SOFTWARE

Computer software is amortised on a straight-line basis over a period of between 1 to 5 years. Software packages purchased before 31 December 2016, and where the useful life is estimated to be greater than one year, are amortised on an accelerated basis over one year for tax purposes.

COPRODUCTION OF DRAMA, DOCUMENTARIES, CONCERTS, PROGRAMMES AND MUSIC VIDEOS

Once contracts have been signed, co-productions are disclosed as off-balance sheet commitments with regard to outstanding net payments.

The payments made for co-productions awaiting technical approval or whose broadcasting licence is pending are recorded as advances and prepayments upon receipt of corresponding invoices.

Co-productions are recognised as intangible assets upon receipt and technical acceptance. Co-production costs are amortised on a straight-line basis over 3 years and may be written-off, based on future revenue forecasts.

2.2. Property, facilities and equipment

Property, facilities and equipment are recorded at their acquisition cost. This cost includes expenses directly attributable to the transfer of the assets to their operational location and the commissioning costs incurred to enable assets to be operated in the manner intended by Management.

They are depreciated on a straight-line or reducing balance basis. The key periods of depreciation are as follows:

- Mobile technical equipment: 3 years;
- Other mobile equipment: 4 or 5 years;
- Technical equipment: 3 or 4 years;
- Computer hardware - PCs: 3 or 4 years;
- Office equipment: 5 years;
- Video equipment: 6 years;
- General facilities: 10 years;
- Office furniture: 10 years.

2.3. Investments

Assets defined as investments are:

- equity securities;
- deposits and guarantees;
- loans granted to Group companies;
- FCPR (mutual fund) shares the Company will hold over the long term.

Financial investments are valued at their purchase cost, and may be impaired if their carrying value justifies it. The carrying value of the subsidiaries is determined by comparing the net book value of equity investments with their share of net assets, and by taking their growth prospects into account.

The acquisition cost of investments acquired with effect from 2007 comprises the purchase cost and the acquisition costs (transfer tax, fees, commissions and legal costs). These acquisition costs are subject to an accelerated amortisation over 5 years.

In the case that the equity of the company whose securities are being written down is negative, and in the absence of any growth prospects, a provision for writedown of the current accounts potentially owed by this subsidiary is recognised for an amount not exceeding the negative equity. In the case that the negative equity of this subsidiary exceeds the value of the current accounts, an additional provision for liabilities and charges is recognised.

2.4. BROADCASTING RIGHTS INVENTORY

Broadcasting rights are classified as inventory with effect from their opening date, which is when the channel is contractually authorised to broadcast the corresponding programmes.

The contracted but not yet invoiced value of broadcasting rights that are not open is reported under off-balance sheet commitments. Rights invoiced but not open are recorded as prepayments to suppliers.

Purchases are recorded at their purchase cost, net of any discounts and rebates earned but excluding the effect of any possible settlement discounts.

Broadcasting rights are charged to cost of sales according to the number of broadcasts, in the following manner:

- Rights acquired for a single broadcast: 100% of the contract value;
- Rights acquired for multiple broadcasts;
- The first broadcast is valued at 66% of the contract value;
- The second broadcast is valued at 34% of the contract value.

Different amortisation schedules may be considered in the highly specific cases of rights acquired for 4 to 5 broadcasts, the audience potential of which is deemed particularly high for each broadcast.

On the other hand, a writedown provision is established for broadcasting rights relating to programmes that are not likely to be broadcast, on the basis of a review, title by title, of the portfolio of broadcasting rights.

2.5. Receivables and liabilities

Receivables and liabilities are recorded at their nominal value.

A provision for writedowns is established where the recoverable value of the receivables is lower than the book value. Foreign currency denominated receivables and liabilities which are not the subject of a financial hedge are translated at the exchange rate at the balance sheet date. Only unrealised exchange losses are recognised in the income statement.

2.6. Marketable securities

Marketable securities are recorded at their gross value.

A provision for writedown is established whenever the market value is less than the acquisition cost.

Treasury shares

Pursuant to the authorisation granted at the General Meeting of 26 April 2016, Métropole Télévision holds treasury shares:

- as part of a liquidity contract,
- to cover the exercise of plans to allocate performance shares granted to employee beneficiaries.

These treasury shares are recorded at their gross value as marketable securities.

As regards treasury shares held as part of a liquidity contract, a provision for writedown is established when the book value of these treasury shares, corresponding to the average price of the last month of the financial year, is lower than their acquisition cost.

For treasury shares to be used to service plans to allocate performance shares, a provision for liabilities and charges equal to the gross value of these shares is recognised (see Note 2.10).

2.7. Regulated provisions

Regulated provisions comprise accelerated amortisation in respect of computer software and acquisition costs of investments.

2.8. Provisions for liabilities and charges

Métropole Télévision recognises a provision when, at the balance sheet date, it has an obligation (legal or constructive) towards a third party resulting from a past event, for which it is probable that an outflow of resources with no compensation at least equivalent will be required, and where a reliable estimate can be made of the amount of the loss or liability.

The amount recognised under provisions is the best estimate of the cash outflow necessary to settle the present obligation at the balance sheet date.

In the case this liability is not probable and cannot be reliably measured, but remains possible, the Group recognises a contingent liability in its commitments.

2.9. Provision for retirement benefits

Pension commitments have been calculated in accordance with the same method as IAS 19R - *Employee Benefits*, namely using an actuarial method that takes into account the vested rights of employees, their most recent salary and their average probable residual service period. Actuarial gains and losses and past service costs are recognised through profit and loss immediately and in full.

Actuarial assumptions are detailed in Note 22 to the consolidated financial statements at 31 December 2019.

2.10. Provision for plans granting performance shares

In application of *Conseil National de la Comptabilité* (CNC) opinion n° 2008-17 of 6 November 2008, a provision for liability and charges corresponding to the outflow of resources liable to be caused by the obligation to transfer shares to employees is recognised in the financial statements.

This provision was measured based on the number of shares that should be allocated due to the terms and conditions of the allocation plans, valued at the year-end date and at cost, i.e.:

- for shares held by the company, their net book value;
- for shares acquired as part of a forward purchase transaction, their future price;
- for shares that had not been acquired at year end, their year-end share price.

The final vesting of the shares is subject to the beneficiary remaining employed by the Company for the entire acquisition period. This provision is spread over the entire rights acquisition period.

2.11. Bonds and other bank borrowings

The bond issue is recognised, at the date on which funds are collected, for the total amount collected. The issue premium is recorded in a deferred expense account under assets.

The bank charges invoiced as part of the bond issue are recognised as an expense, and then reclassified under assets (in a deferred expense account) via an expense reclassification account.

The issue premium and bank charges recognised as assets are amortised over the term of the bonds.

Other bank borrowings consist of the *Schuldschein* loan arranged on 24 July 2019 and borrowing facilities. These credit facilities are recognised as bank debt at their gross amount at the date when they are received. The non-utilisation fees for these credit facilities are recognised under financial expenses.

2.12. Advertising revenues

Advertising revenues are recorded net of commercial discounts, at the time of broadcast of the relevant advertising.

2.13. Off-balance sheet commitments

Off-balance sheet commitments essentially comprise:

- acquisitions of broadcasting rights that are not open and invoiced;
- co-production costs for which technical approval has not yet been granted;
- the invoiced value of radio hosts' contracts;
- technical broadcasting costs invoiced but not yet executed (image transmission) on the basis of contracts with technical broadcasters.

2.14. Financial instruments

The application of ANC Regulation 2015-05 dated 2 July 2015, which made the application of hedge accounting mandatory, had no material impact during the financial year. The only financial instruments implemented by Métropole Télévision concern foreign exchange and share risk hedging.

Métropole Télévision hedges against the main foreign currency-denominated transactions, using simple financial instruments, primarily forward purchases. Hedged transactions are accounted for at the exchange rate applicable on the day the hedge is implemented.

3. Notes to the parent company balance sheet

3.1. Intangible assets

Intangible assets essentially comprise shares of co-production programmes and the business goodwill related to the Ediradio merger.

The movements in intangible assets were as follows:

	Intangible assets	Intangible assets in progress	Total
Amount net of writedowns and amortisation at 31/12/2018	70.4	-	70.4
Acquisitions during the year	3.5	2.8	6.3
Reclassifications	0.3	2.6	2.9
Disposals during the year	-	-	-
Amortisation charge for the year	(5.3)	-	(5.3)
Reversal of amortisation on disposals	-	-	-
Charges to provisions for writedowns	(5.0)	-	(5.0)
Reversal of provisions for writedowns	6.1	-	6.1
Amount net of writedowns and amortisation at 31/12/2019	70.0	5.4	75.4
Gross value at 31/12/2018	296.5	-	296.5
Accumulated amortisation and writedowns	(226.1)	-	(226.1)
Net value at 31/12/2018	70.4	-	70.4
Gross value at 31/12/2019	300.3	5.4	305.7
Accumulated amortisation and writedowns	(230.3)	-	(230.3)
Net value at 31/12/2019	70.0	5.4	75.4

Acquisitions in the year mainly correspond to the following:

- co-production shares in new programme formats in an amount of €2.8 million;
- software packages, in an amount of €1.0 million.

Charges to and reversal of provisions for writedowns relate to co-production shares with no future prospects of generating revenues.

Increases in intangible assets in progress relate to investments in IT projects under development.

3.2. Property, facilities and equipment

The movements in property, facilities and equipment during the year were as follows:

	Technical facilities	Other property, facilities and equipment	Assets under construction	Total
Amount net of depreciation at 31/12/2018	7.7	10.7	4.7	23.1
Acquisitions during the year	1.5	3.0	2.4	7.0
Reclassifications	0.4	0.1	(3.4)	(2.9)
Disposals during the year	(0.8)	(2.0)	-	(2.8)
Depreciation charge for the year	(3.2)	(2.8)	-	(6.0)
Reversal of depreciation on disposals	0.8	2.0	-	2.8
Amount net of depreciation at 31/12/2019	6.5	11.0	3.7	21.2
Gross value at 31/12/2018	49.5	32.0	4.7	86.2
Accumulated depreciation and writedowns	(41.8)	(21.3)	-	(63.1)
Net value at 31/12/2018	7.7	10.7	4.7	23.1
Gross value at 31/12/2019	50.6	33.1	3.7	87.5
Accumulated depreciation and writedowns	(44.2)	(22.1)	-	(66.3)
Net value at 31/12/2019	6.5	11.0	3.7	21.2

Acquisitions in the year include €1.2 million to replace computer equipment.

3.3. Investments

The movements in the various investments were as follows:

	Equity investments	Other investments	Total
Amount net of writedowns at 31/12/2018	354.1	2.8	356.9
Acquisitions during the year	1.5	0.4	1.9
Disposals during the year	(2.5)	(0.1)	(2.6)
Charges to provisions for writedowns	(1.5)	-	(1.5)
Reversal of provisions for writedowns	0.9	-	0.9
Amount net of writedowns at 31/12/2019	352.5	3.1	355.6
Gross value at 31/12/2018	417.6	2.8	420.4
Accumulated writedowns	(63.6)	-	(63.6)
Net value at 31/12/2018	354.1	2.8	356.9
Gross value at 31/12/2019	416.7	3.1	419.8
Accumulated writedowns	(64.2)	-	(64.2)
Net value at 31/12/2019	352.5	3.1	355.6

Acquisitions of equity interests mainly consist of the €1.5 million earn-out paid in 2019 in respect of the acquisition of RTL Group's French Radio division.

Decreases in equity interests mainly consist of the sale of a portion of Life TV shares for €2.5 million.

In addition, in relation to equity investments held by Métropole Télévision, provisions for impairment have been updated taking into account the share of net assets in the entities concerned. As a result, a €1.5 million addition to M6 Foot shares and a €0.9 million reversal from M6 Films and Studio 89 were recognised in the year.

3.4. Inventory and work in progress

This comprises broadcasting rights that are open and not consumed, as well as in-production programmes.

The movements in the year were as follows:

	Balance at start of year	Acquisitions	Decreases/transfers to inventories	Invalid rights / rights sold	Balance at end of year
Inventories	347.3	208.7	(187.7)	(16.4)	351.9
In-progress	2.1	75.3	(75.1)	-	2.4
Total	349.5	284.0	(262.8)	(16.4)	354.3

A writedown provision is established for broadcasting rights relating to programmes that are not likely to be broadcast, on the basis of a review, title by title, of the portfolio of broadcasting rights, the balance of which was €164.3 million at 31 December 2019.

	Balance at start of year	Charges	Reversals	Balance at end of year
Provision for inventory writedowns	159.5	39.3	(36.1)	162.8
Provision for work-in-progress writedowns	0.7	0.9	(0.1)	1.5
Total	160.2	40.2	(36.1)	164.3

3.5. Receivables

The change in other receivables primarily reflects the day-to-day financing transactions of the Group's subsidiaries. The maturity of all receivables is as follows:

	Gross value	Due within 1 year	Due after 1 year
Current assets			
Trade receivables	289.3	286.2	3.1
Other receivables ⁽¹⁾	445.8	445.8	-
Total	735.0	732.0	3.1

⁽¹⁾ Other receivables include the debit current accounts of Group subsidiaries of €419.6 million

Accrued income relating to trade receivables was €137.7 million at 31 December 2019, compared with €155.2 million at 31 December 2018.

Trade and other receivables were the subject of writedown provisions as follows:

	Balance at start of year	Charges	Reversals (used)	Reversals (unused)	Balance at end of year
Provision for writedown of trade receivables	3.0	2.5	-	(2.5)	3.1
Provision for writedown of other receivables	-	-	-	-	-
Total	3.0	2.5	-	(2.5)	3.1

3.6. Cash and marketable securities

They are broken down as follows:

	31/12/2019	31/12/2018
Treasury shares	10.4	10.2
Liquidity contract (treasury shares and other marketable securities)	2.8	2.7
Investment funds, SICAV	5.0	5.0
Marketable securities	18.3	17.9
Bank and cash	20.3	104.8
Cash and marketable securities	38.6	122.7
Writedown of treasury shares	-	-
Net cash and marketable securities	38.6	122.7

307,200 shares were delivered in 2019 as part of the performance share plan set up in 2017, 140,800 of which were granted to individuals employed by subsidiaries.

At 31 December 2019, Métropole Télévision directly held 583,054 treasury shares acquired for €10.4 million. These shares will be granted when the subsequent plans granting performance shares mature.

Marketable securities do not include any unrealised gains, as these were realised at 31 December 2019.

3.7. Prepaid expenses

Prepaid expenses primarily include sports programmes and rights billed in 2019 to be broadcast at a later stage.

3.8. Shareholders' equity

The movements in the year were as follows:

	31/12/2018	Dividends paid	Other movements		31/12/2019
			Additions	Reductions	
Share capital	50.6	-	-	-	50.6
Share premium	7.6	-	-	-	7.6
Legal reserve	5.3	-	-	-	5.3
Retained earnings	317.3	(125.8)	167.0	-	358.5
Financial year net profit	167.0	-	155.8	(167.0)	155.8
Equity excluding regulated provisions	547.7	(125.8)	322.8	(167.0)	577.8
Regulated provisions	0.7	-	-	(0.5)	0.2
Total equity	548.4	(125.8)	322.8	(167.5)	578.0

At 31 December 2019, the share capital comprised 126,414,248 ordinary shares of €0.40 each. Regulated provisions relate to accelerated amortisation of licences.

3.9. Provisions for liabilities and charges

The movements in provisions during 2018 were:

	Balance at start of year	Charges	Reversals (used)	Reversals (unused)	Balance at end of year
Provisions for litigation	4.9	1.8	(0.1)	(0.9)	5.7
Provision for plans granting performance shares	7.9	8.8	(5.2)	-	11.5
Provisions for liabilities	12.8	10.6	(5.3)	(0.9)	17.2
Provisions for retirement benefits	19.3	1.3	(1.9)	-	18.7
Other provisions for charges	24.0	11.3	(13.5)	(3.3)	18.4
Provisions for charges	43.3	12.5	(15.4)	(3.3)	37.1
Total provisions for liabilities and charges	56.1	23.1	(20.7)	(4.2)	54.3

- Litigations included in the “provisions for litigation” caption relate to all legal proceedings instituted against Métropole Télévision, for which it is probable that the outcome will be unfavourable for the Company. In the large majority of cases, such litigations have gone beyond the pre-litigation stage and are currently being considered or are undergoing judgement or appeal by competent courts (Commercial Court, Industrial Court, Court of First Instance, Criminal Court or Supreme Court of Appeal). Additional information in respect of litigations in progress has not been included individually as disclosure of such information could be prejudicial to the Group.

- The “provisions for plans granting performance shares” are intended to cover the probable outflow of resources corresponding to the obligation to transfer shares to employees. In accordance with CNC opinion n°2008-17, they are spread over the vesting period of the entitlements and totalled €7.7 million at 31 December 2019 for the plans maturing in 2020, €3.3 million for the plans maturing in 2021 and €0.5 million for the plan maturing in 2022.

- €12.1 million of “other provisions for charges” relate to the writedown of audiovisual rights, that Métropole Télévision is committed to buy but which have not yet been posted to inventories.

The charge resulting from the likelihood that an unopened right (and as such classified in off-balance sheet commitments) in the schedule slot that was initially planned will not be broadcast may not be accounted for by writing down a balance sheet asset, and is therefore recognised through a provision for liabilities and charges.

The writedown of an unopened right is consistent with the operation of the audiovisual rights market, since TV channels have generally entered into sourcing agreements with producers in relation to future productions, without having the certainty that the quality of the latter will be consistent and may be broadcast given their editorial policy and target audiences.

Channels may also be committed to acquiring a throwaway programme or an event where the expected economic benefits are less than the value of the commitment.

The value of rights is notably written down when a programme or event is unlikely to be broadcast.

In any event, impairment losses are assessed and defined in consultation with the Group’s channels’ programming departments as part of a programme-by-programme portfolio review in light of audience targets attached to each programme and the editorial policy.

“Other provisions for charges” also relate to costs Métropole Télévision would have to incur to implement a contract or settle its regulatory or tax obligations, without the amounts in question being due or having been due, in particular within the framework of dispute settlement or legal proceedings.

- The amounts reported for all these types of provisions are the best possible estimate of the future outflow of Company resources, taking account of plaintiffs’ claims, judgments already passed, if applicable, or the management’s appraisal of similar instances and/or calculations made by the finance department.

3.10. Liabilities

The change in other liabilities reflects the day-to-day financing of the Group’s subsidiaries.

To finance the acquisition of RTL Group’s French Radio division, on 1 August 2017 Métropole Télévision issued a €50.0 million Euro PP bond maturing on 1 August 2024.

To finance the acquisition of the Youth TV division, Métropole Télévision:

- arranged, on 24 July 2019, a €75.0 million Schuldschein loan maturing on 24 July 2026;
- renegotiated its three borrowing facilities to bring them to €60.0 million each, with one of them usable for two years and the other two for four years each.

A maximum of €75 million was drawn down from the credit facilities during the financial year, repaid in full at 31 December 2019.

The €50.0 million bond issue includes an issue premium of €0.2 million, and an arrangement fee of €0.1 million. These items are recorded in deferred expenses, and amortised over 7 years.

Liabilities may be analysed as follows, by maturity date:

	Gross value	Due within 1 year	Due within 1 to 5 years	Due after 5 years
Bond loan	50.6	0.6	50.0	-
Other financial debt	75.6	0.6	-	75.0
Trade payables	235.8	235.8	-	-
Tax and social security payable	78.5	78.5	-	-
Other liabilities ⁽¹⁾	457.1	457.1	-	-
Total	897.7	772.7	50.0	75.0
Accrued expenses included within the above:				
- trade payables	48.5	48.5		
- income tax and social security	28.4	28.4		
- liabilities on non-current assets	-	-		

(1) Other liabilities include credit current accounts of Group subsidiaries of €331.1 million.

3.11. Payment terms risks

The provisions of the Law for Modernisation of the Economy in respect of terms of payment between customer and supplier came into force on 1 January 2009: since that date, the period agreed upon between parties to pay amounts owing may not exceed 60 days or, exceptionally, 45 days end of month.

Any company that fails to observe the new mandatory payment periods is subject to a certain number of financial risks including late payment penalties and administrative fines.

Given the nature of audiovisual activities, a substantial majority of the purchases of services are made on a contractual basis with payment schedules specific to each activity due to the content delivery cycles.

In order to meet its settlement terms and to ensure that it always complies with applicable laws, the Group implements specific and strict follow-up of each contractual relationship:

- Supplier payment procedures

The Group has put into place a supplier payment procedure governed by numerous internal controls and an IT system to process invoices received. Moreover, every supplier’s payment terms to the Group are checked frequently.

- Follow-up of late payments

Two alert and monitoring tools are available to the Group’s finance department to deal with payment terms: a summary of invoices that are due and not yet paid and a summary of every accounting department’s payment terms.

Pursuant to Art. D. 441-4 of the Commercial Code, the breakdown of Métropole Télévision’s trade payables and receivables not paid by the year end are set out below:

This data does not include liabilities relating to the purchase of audiovisual rights, since these liabilities primarily fall due on the basis of operational milestones (including “ready to broadcast”, “first broadcast”, etc.) and not on calendar dates.

€ millions - inc. VAT	Article D.441 I.- 1: Invoices received, unpaid and overdue at year end						Article D.441 I.- 2: Invoices issued, unpaid and overdue at year end					
	0 (days are only indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 (days are only indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Late payment ranges												
Number of invoices concerned	2					904	24					1,809
Total value of invoices concerned inc. VAT	0.0	3.5	1.5	0.3	0.8	6.2	3.7	42.4	11.0	1.5	2.1	57.0
Percentage of total value of purchases inc. VAT over the financial year	0.0%	1.0%	0.4%	0.1%	0.2%	1.8%						
Percentage of revenue inc. VAT over the financial year							0.4%	4.5%	1.2%	0.2%	0.2%	6.1%
(B) Invoices excluded from (A) relating to contested or unrecorded trade payables and receivables												
Number of invoices excluded												
Total value of invoices excluded												
(C) Standard payment terms used (contractual or statutory period - Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment terms used for calculating late payments	Statutory terms: 60 days						Contractual terms: 30 days from the end of the month by the 10th day of the month					

4. Notes to the parent company income statement

4.1. Revenue analysis

	2019	2018
TV advertising and sponsorship revenue	663.4	669.1
Other revenue	19.1	34.7
Total revenue	682.5	703.8

Analysis by geographic region*	
France	86.07%
Europe	12.62%
Other countries	1.31%

*on the basis of invoicing

Advertising revenues are recorded net of commercial discounts.

Other revenue henceforth includes the sale to RTL France Radio of radio programmes produced by Métropole Télévision.

4.2. Merchandise purchases and movements in inventories

These rights relate to the purchase of rights to so-called “flow” programmes, primarily comprising sports programmes and events, the value of which is derived from a single broadcast.

The inventory movement corresponds to the use of broadcasting rights that are recorded as inventory, as disclosed in Note 3.4.

4.3. Other purchases and external costs

This mainly comprises services of digital broadcast of the channel as well as remuneration of the advertising service.

4.4. Taxes and duties

Business taxes paid by the channel are notably recorded under this heading of the income statement. In 2019, €36.8 million was specifically paid in connection with the contribution to the support fund for the Centre National du Cinéma et de l’Image Animée, compared with €36.0 million in 2018.

4.5. Other expenses

This comprises payments to various copyright companies for a total of €28.2 million in 2019, compared with €28.7 million in 2018.

4.6. Employee costs

The CICE tax credit receivable related to 2018 was collected in 2019; it amounted to €0.6 million and was used in particular to finance investment for the completion of works performed inside Métropole Télévision’s various buildings.

4.7. Net financial income/(expense)

Net financial income can be analysed as follows:

	2019	2018
Dividends from equity investments	102.9	75.6
Net income/(expense) on cash pooling	0.2	0.2
Net interest and income from marketable securities	0.2	(0.2)
Interest on debenture loans and other loans	(1.2)	(0.8)
Net losses on exchange differences	-	-
Net merger profit/(loss) and other financial charges	(0.2)	(0.2)
Net provision for writedown of investments	(0.6)	10.5
Net provision for writedown of current accounts	-	4.3
Total financial income	101.2	89.4

Interest on borrowings mainly consists of interest on the Euro PP and the Schulschein loan (€1.1 million).
Net provisions for writedown of investments were €0.6 million and are analysed in Note 3.3.

4.8. Net exceptional income/(expense)

Net exceptional income/(expense) may be analysed as follows:

	2019	2018
Provision charges net of reversals (including accelerated depreciation and amortisation) and transfer of charges	1.7	9.2
Capital gains and losses on disposal of non-current assets	(0.6)	(1.5)
Writedown of treasury shares	(5.0)	(12.4)
Reinvoicing to subsidiaries of cost of free shares allocated to their employees	3.8	4.3
Total net exceptional income/(expense)	(0.2)	(0.4)

Net capital losses on disposals of assets consist of earn-outs paid in connection with the acquisition of shares in SNC Catalogue MC and SNC Audiovisuel FF.

4.9. Income tax

Since 1 January 1988, Métropole Télévision has declared itself as the parent company of a tax consolidation scheme pursuant to the provisions of Articles 223A of the General Tax Code. Métropole Télévision is solely liable for income tax due by its subsidiaries in order to determine the Group's overall performance, in accordance with the provisions of Article 223A of the General Tax Code.

One new company, M6 Hosting, was added to the Group's tax consolidation scope as from 1 January 2019.

The tax consolidation arrangement adopted by the Group is based on non-discriminatory tax treatment. Each subsidiary therefore pays its own tax charge as if it was independent for tax purposes.

Income tax can therefore be analysed as follows:

	2019	2018
Current tax at applicable rate	33.2	34.7
Supplementary income tax on dividends	-	(2.8)
Total corporate income tax	33.2	31.9

The theoretical income tax charge was €30.8 million in the 2019 financial statements. After taking into account a tax consolidation deficit of €2.7 million, a tax credit of €0.8 million related to sponsorship, the correction of errors in previous tax years having generated an expense of €0.5 million, corporate income tax totalled €33.2 million.

Furthermore, the Company is liable for a Group tax payment of €78.2 million for 2019.

Income tax can be analysed as follows:

	Profit before tax	Income tax
Profit from ordinary activities	193.5	33.1
Net exceptional income/(expense)	(0.2)	0.1
Profit before tax and employee profit-sharing	193.3	-
Current tax at applicable rate		33.2

4.10. Future tax liability at the end of the year

	Deferred tax assets	Deferred tax liability	Net deferred tax liability at 31/12/2019
Description of temporary differences			
Regulated provisions	-	-	-
Tax on non-deductible provisions	16.1		16.1
Tax on long-term capital losses	-	-	-

Non-deductible provisions mainly relate to undertakings to purchase audiovisual rights and pension liabilities.

5. Other notes

5.1. Related party disclosures

All transactions carried out between related parties are intra-group transactions and have been carried out at arm's length.

5.2. Off-balance sheet commitments

At 31 December 2019, off-balance sheet commitments, by description and maturity, were as follows:

	Commitments at 31/12/2019	Due within 1 year	Due after 1 year	Commitments at 31/12/2018	Terms and conditions of implementation
Commitments given	509.4	230.3	279.1	628.2	
Purchase of broadcasting rights	367.1 ^(*)	125.9	241.2	451.6	Contracts signed
Co-production commitments	89.3	89.3	-	116.3	Contracts signed
Contracts for broadcast	5.7	4.2	1.5	10.3	Contracts signed
Contracts for future purchases of shares	10.9	4.2	6.7	9.5	Contract terms
Commercial commitments	35.7	6.5	29.2	38.7	Contracts signed
Other	0.7	0.3	0.4	1.7	Contracts signed
Commitments received	21.9	10.2	11.7	20.9	
Sales commitments	17.4	9.0	8.4	20.9	Contracts signed
Distribution commitments	4.5	1.2	3.3	-	Contracts signed

^(*) The gross amount of the commitments given on the channels' broadcasting rights, excluding advance payments, was €371.4 million at 31 December 2019.

Broadcasting contracts relate to image transfer and broadcasting services. The commitments have been measured by taking account of the balance remaining due until the maturity of each contract.

Commercial commitments relate mainly to contracts for the rental of premises.

Métropole Télévision has also received audiovisual rights purchase commitments from other television services.

5.3. Directors' remuneration allocated during the financial year

	Amount in €
Remuneration allocated to members of the Executive Board	6,825,122

In addition, in this respect and under the same conditions as Company employees, members of the Executive Board may benefit from legal compensation at the end of their career. No loans or advances were granted to any Director.

5.4. Average workforce

The average workforce of Métropole Télévision was made up as follows:

	2019 salaried employees	2018 salaried employees
Permanent workforce	833	831
Employees	68	62
Supervisors	200	212
Managers	469	453
Journalists	94	102
Artists	2	2
Temporary workforce (full-time equivalent)	114	113
Total	947	944

5.5. Performance share allocation plans

Performance share allocation plans are serviced using outstanding shares.

The main features of performance share allocation plans in force at 31 December 2019, or which lapsed during the year are as follows:

	Number of shares granted at plan date	Maximum allocation	Balance at 31/12/2018	Change based on performance	Allocated	Delivered	Cancelled	Balance at 31/12/2019
Performance share allocation plans	1,638,951	1,638,951	1,083,884	-	544,667	(287,600)	(38,456)	1,302,495
27/07/2017	217,667	217,667	217,667	-	-	-	-	217,667
27/07/2017	307,200	307,200	296,800	-	-	(287,600)	(9,200)	-
02/10/2017	8,917	8,917	8,917	-	-	-	-	8,917
25/07/2018	313,400	313,400	313,400	-	-	-	(22,200)	291,200
25/07/2018	247,100	247,100	247,100	-	-	-	(6,056)	241,044
30/07/2019	298,167	298,167	-	-	298,167	-	(1,000)	297,167
30/07/2019	246,500	246,500	-	-	246,500	-	-	246,500

Cancellations recorded during the year resulted either from beneficiaries leaving the Group before the end of the vesting period or from plans expiring due to market conditions preventing all rights from being exercised. They may also be due to non-achievement of financial performance targets set on allocating the plans.

Data relating to the performance share allocation plans are reference data corresponding to the achievement of performance objectives set within the context of the 2017, 2018 and 2019 plans.

287,600 shares were definitively vested under the plan of 27 July 2017 at a total cost of €5.0 million, compared with €12.4 million in 2018. After rebilling of the shares delivered to employees of subsidiaries, Métropole Télévision incurred a charge of €4.8 million in 2019 and €5.6 million in 2018.

Taking account of the financial performances achieved or estimated and the employee departures already noted and projected, the number of shares to be permanently vested under the various outstanding plans is currently estimated as follows:

- Plan of 27 July 2017: 217,667 shares;
- Plan of 2 October 2017: 8,917 shares;
- Plan of 25 July 2018: 532,244 shares;
- Plan of 30 July 2019: 543,667 shares.

5.6. Directors' fees

The amount of attendance fees paid in 2019 was €233,186.

5.7. Earnings per share (€)

	2019	2018
Basic earnings per share – after tax, employee profit sharing, before amortisation, depreciation and provision charges and reversals	1.33	1.29
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provision charges and reversals	1.23	1.32
Ordinary dividend per share	1.00	1.00

5.8. Note on the consolidation of accounts

Métropole Télévision is the parent company of a consolidated group. Its financial statements are also fully consolidated into the financial statements of RTL Group, a Luxembourg-registered company, itself consolidated into the financial statements of Bertelsmann Group, registered in Gütersloh, Germany.

5.9. Significant post-balance sheet events

To the best of the Company's knowledge, no significant event that occurred since 1 January 2020 is likely to have, or to have had in the recent past, a significant impact on the Company and the Group's financial position, financial performance, activities and assets.

5.10. Subsidiaries and associates

(€ K)	Siren No.	Share capital	Reserves Retained earnings	Share capital ownership	Gross
SUBSIDIARIES					
M6 PUBLICITE sas	340949031	50	7,444	99.99	38
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 FILMS sa	380727404	60	670	99.98	6,646
89, Avenue Charles de Gaulle - 92200 NEUILLY					
C. PRODUCTIONS sa	407908656	50	122	99.98	1,038
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 INTERACTIONS sas	388909459	34,271	61,120	100.00	34,007
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 THEMATIQUE sa	403105109	57,615	8,155	100.00	113,988
89, Avenue Charles de Gaulle - 92200 NEUILLY					
IMMOBILIERE M6 sa	399476357	9,600	3,723	100.00	9,147
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 FOOT sas	423133784	38,360	(17,161)	100.00	76,485
89, Avenue Charles de Gaulle - 92200 NEUILLY					
SCI 107 sci	421699133	5,002	(1,366)	99.90	5,002
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 DEVELOPPEMENT sas	428115224	40	(161)	99.99	140
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 STUDIO sas	428115299	45	2,055	99.99	45
89, Avenue Charles de Gaulle - 92200 NEUILLY					
IMMOBILIERE 46 D sas	493897516	26,040	(6,216)	100.00	26,040
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 BORDEAUX sas	433503364	40	50	100.00	40
89, Avenue Charles de Gaulle - 92200 NEUILLY					
M6 SHOP	538615030	10	-	100.00	40
13, rue du Capricorne -94150 RUNGIS					
STUDIO 89 sas	428895122	1,040	1,247	100.00	4,583
89, Avenue Charles de Gaulle - 92200 NEUILLY					
SNDA sas	538767955	5,395	890	100.00	11,596
89, Avenue Charles de Gaulle - 92200 NEUILLY					
INFORMATION ET DIFFUSION	562135566	32	(4,904)	100.00	198
89, Avenue Charles de Gaulle - 92200 NEUILLY					
RTL France RADIO	830320461	55,623	4,393	100.00	55,623
89, Avenue Charles de Gaulle - 92200 NEUILLY					
SERC	341103117	38	13,016	100.00	28,023
89, Avenue Charles de Gaulle - 92200 NEUILLY					
SODERA	343224556	3,323	1,793	100.00	39,769
89, Avenue Charles de Gaulle - 92200 NEUILLY					
EQUITY INVESTMENTS					

SOCIETE NOUVELLE DE DISTRIBUTIONsa	414857227	18,271	12,730	7.12	1,650
89, Avenue Charles de Gaulle -92200 NEUILLY					
BEDROCK sas	493869002	35	(15,485)	6.75	9
89, Avenue Charles de Gaulle -92200 NEUILLY					
DIGITAL DISTRIBUTION sas	538650458	31	15,462	6.75	48
89, Avenue Charles de Gaulle -92200 NEUILLY					
DIGITAL SERVICES sas	414549469	740	43,224	6.75	15
89, Avenue Charles de Gaulle -92200 NEUILLY					
EUROPEAN NEWS EXCHANGE sa		496	NC	20.00	100
45 bld Pierre Frieden 1543 LUXEMBOURG					
MULTIPLEX R4 (MULTI 4) sas	449753979	52	11	16.75	10
89, Avenue Charles de Gaulle -92200 NEUILLY					
MEDIAMETRIE	333344000	930	nc	2.70	1,000
70 rue Rivay 92300 LEVALLOIS PERRET					
ALLIANCE GRAVITY	830408803	90	nc	11.11	375
10 boulevard de grenelle ,- 75015 PARIS					
LIFE TV	N/A	459	(77)	12.49	1,000
Riviera Bonoumin - 1589 ABIDJAN					

Book value of shares owned Net	Loans and advances granted and outstanding	Guarantees and sureties given by the Company	Revenue 2018	Revenue 2019	Net profit 2018	Net profit 2019	Dividends received during the financial year
38		-	459,757	469,195	29,187	27,658	-
902	3,177	-	2,956	3,739	275	173	-
1,038	-	-	19,871	19,671	242	1,011	-
34,007	-	-	10,585	12,371	47,634	22,075	20,031
113,988	179,429	-	395	416	15,234	11,274	11,943
9,147	-	-	6,202	6,401	893	939	-
19,733	-	-	-	-	9,843	(1,466)	-
5,002	27,144	-	3,415	3,508	106	207	-
-	-	-	1,041	1,070	(90)	13	-
45	-	-	13,397	8,975	6,368	(311)	-
26,040	2,785	-	2,122	2,250	(340)	(294)	-
40	108	-	390	372	19	3	-
40	1,013	-	-	-	-	-	-
3,038	9,401	-	41,173	40,858	747	650	-
11,596	-	-	60,420	58,572	1,635	295	-
198	8,201	-	21,584	22,697	(806)	(1,785)	-
55,623	-	-	84,330	82,338	1,825	3,315	-
28,023	-	-	26,441	27,828	2,561	5,689	-
39,769	-	-	29,799	32,739	7,664	7,993	-
1,650	-	-	66,803	71,743	5,263	3,408	-
9	-	-	-	40,221	(9)	7,691	-
48	-	-	-	40,872	(4)	21,491	-
15	-	-	111,205	23,494	13,132	12,012	-
100	-	-	NC	NC	NC	NC	-
10	-	-	57	nc	0	1	-
1,000	-	-	NC	NC	NC	NC	-
375	-	-	NC	NC	NC	NC	-

1,000	-	-	-	-	(941)		-

5.6 STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine

ERNST & YOUNG et Autres
Tour First TSA 14444
92037 Paris-La Défense Cedex
Simplified joint stock company with variable capital

Statutory Auditors' report on the parent company financial statements (Financial year ended 31 December 2019)

To the Shareholders' General Meeting,
Métropole Télévision
89, avenue Charles-de-Gaulle
92200 Neuilly-sur-Seine, France

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying parent company financial statements of Métropole Télévision for the year ended 31 December 2019.

In our opinion, the parent company financial statements provide a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2017 and of the results of its operations for the year then ended in accordance with French accounting principles and methods.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We have performed our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described herein in the section "Statutory Auditors' responsibilities for the audit of the parent company financial statements" of this report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics for Statutory Auditors.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement which, in our professional judgement, were of most significance in our audit of the parent company financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the parent company financial statements as a whole, and in forming our opinion thereon. Accordingly, we do not provide any opinions on specific items of the parent company financial statements.

Measurement of broadcasting rights inventories, off-balance sheet items and provisions for broadcasting rights

Risk identified

Métropole Télévision buys programme in order to broadcast them on all of the M6 channel. The purchase commitments are treated as off-balance sheet commitments until the period when the rights become available. Once the rights are available, they are recorded in broadcasting rights inventories.

A provision is established when Management, on the basis of a title-by-title review of the rights portfolio, considers that a programme will not be broadcast in the timeslot for which it was acquired.

We considered this issue as a key point of the audit due to the material amount of the rights portfolio in the Company's financial statements, and because any provisions arising from that portfolio are dependent by nature on Management forecasts regarding audience figures and whether programmes can be broadcast or not.

At 31.12.2019	(€ millions)	Appendix
Gross value of inventory	351.9	3.4
Accumulated writedowns	(162.8)	3.4
Net value of rights inventory	189.1	
Off-balance sheet rights purchase commitments (*)	371.4	5.2
Provision for off-balance sheet rights	(12.1)	3.9

** Off-balance sheet commitments excluding co-production rights, purchase of football broadcasting rights and writing contracts*

Our response

In order to assess the reliability of Management assumptions, we have notably:

- Analysed, for a selection of programmes, the consistency of broadcasting forecasts with the audience trajectories of the programmes and the risk of non-broadcast, particularly with regard to the expiry date of the rights;
- We compared the actual broadcast windows with the broadcast windows anticipated by Management on a test basis.

We also verified:

- The reclassification of provisions for programmes previously carried as off-balance sheet commitments and transferred to inventories when the rights become available;
- That the calculation of the provisions was compliant with the accounting rules and methods, as set out in Note 2.4 to the parent company financial statements.

Recognition of revenue, and estimation of receivables and credit notes linked to advertising revenues

Risk identified

Advertising revenues were €663.4 million in the Group's parent company financial statements. Their recognition is based on the broadcasting of advertisements. Commercial discounts are granted to advertisers according to general and special terms and conditions, which are reflected in the award of credit notes during the year and at year-end, as described in Note 4.1 "Revenue analysis" to the parent company financial statements, and depending on whether a contractually agreed audience level is reached.

We considered that the recognition of revenue and the estimation of the level of receivables and credit notes are key points of the audit in view of their material amount in the Company's financial statements, and the diversity and number of agreements existing between the Company and its customers, as well as of the judgement required to estimate the credit notes and the recoverable nature of trade receivables at the year-end.

Our response

Our audit approach to the recognition of revenue and the estimation of receivables and customer credit notes includes both tests on internal control, and substantive controls on the financial statements.

Our work on internal control primarily covered the contractualisation, invoicing, recovery, and estimation of the credit notes, and the recognition of revenue. We have reviewed and tested the controls deemed to be key that were implemented by the Company in relation to these various aspects. A number of members with particular expertise in information systems have been included in our team in order to test certain application controls on the data integrated into the system and used as a basis for revenue recognition.

Our substantive controls relating to revenue and to the estimation of the receivables and credit notes specifically consisted in:

- Analysing the revenue depending on the trend in the advertising market and external data;
- Reviewing the correlation between full-year revenue and the changes in cash and trade receivables;
- Analysing the contractual clauses in a sample of contracts in order to assess the correct measurement of revenue and year-end credit notes;
- Verifying that the year-end credit notes, for which a provision had been established at the end of the previous financial year, were issued during the financial year;
- Reviewing the processes for estimating provisions for impairment of trade receivables

Measurement of equity investments

Risk identified

The net amount of the equity investments shown on the balance sheet was €352.5 million at 31 December 2019. These investments are recognised at the purchase cost on the date when they are booked, and impaired if their carrying value justifies an impairment.

As specified in Note 2.3 to the parent company financial statements, the carrying value of the securities is determined by comparing their net book value with the share of net assets, and by taking the development prospects for each company into account.

In this context, and in view of the uncertainty inherent to achieving the forecasts included when measuring the carrying value, we considered that the valuation of the equity investments, and of the related provisions for contingencies, where applicable, was a key point of the audit.

Our response

To assess the reasonable nature of the carrying value of the equity investments on the basis of the information disclosed to us, our work primarily consisted in:

- Verifying that the values estimated by Management are based on a measurement method and quantified information that are appropriately substantiated;
- Depending on the securities concerned, reconciling the shareholders' equity with the financial statements of the relevant entities and, where adjustments have been made to this shareholders' equity, assess whether it is substantiated by documentation.

Our work also consisted in verifying the recognition of a provision for liabilities in cases where the Company has committed to bearing the losses of an equity investment where the shareholders' equity is negative.

Specific verifications

We have also performed the specific verifications required by French law and regulations, in accordance with professional standards applicable in France.

Information provided regarding the financial position and the annual financial statements in the management report and in the other documents sent to shareholders

We have no observations to make concerning the fairness and consistency with the parent company financial statements of the information given in the management report and in the other documents sent to the shareholders concerning the financial situation and the parent company financial statements.

We certify that the information relating to payment terms mentioned in Article D.441-4 of the French Commercial Code is true and fair, and consistent with the parent company financial statements.

Report on corporate governance

We hereby certify that the information required by Articles L.225-37-3 and L.225-37-4 of the French Commercial Code is included in the Supervisory Board's report on corporate governance.

Concerning the information provided in accordance with provisions of Article L.225-37-3 of the Commercial Code on remuneration and benefits paid or allocated to corporate officers as well as commitments given in their favour, we have verified their consistency with the financial statements or with the data used in the preparation of these financial statements and if necessary, with data collected by your company from entities under its control and included in the scope of consolidation. On the basis of this work, we confirm the accuracy and the fairness of this information.

In the case of the information relating to the factors that your Company has considered as likely to have an impact in the event of a public tender or exchange offer, and provided pursuant to the provisions of Article L.225-37-5 the French Commercial Code, we checked the consistency of this information with the documents from which it was derived, and which were disclosed to us. On the basis of this work, we have no observation to make on this information.

Other information

As required by law, we ensured that the information concerning the identity of holders of the share capital and voting rights was provided to you in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Métropole Télévision by your General Meetings of 3 May 2002 for ERNST & YOUNG et Autres and 6 May 2008 for PricewaterhouseCoopers Audit.

At 31 December 2019, ERNST & YOUNG et Autres was in the 18th year of uninterrupted engagement and PricewaterhouseCoopers Audit was in the 12th year of uninterrupted engagement.

Management and individuals responsible for corporate governance in relation to the parent company financial statements

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with French accounting principles and methods, and for such internal control as Management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or that it will cease to operate.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The parent company financial statements have been prepared by the Executive Board.

Statutory Auditors' responsibilities for the audit of the parent company financial statements

Audit objectives and approach

Our role is to issue a report on the parent company financial statements. Our objective is to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions that users take on the basis of these parent company financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit.

Furthermore:

- Identifies and assesses the risks of material misstatement of the parent company financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the parent company financial statements;
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the parent company financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the parent company financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the procedures relating to the preparation and processing of accounting and financial information that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the parent company financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 24 February 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Marty

Ernst & Young et Autres

Bruno Bizet

5.7 SUMMARY OF FINANCIAL RESULTS FOR THE LAST 5 YEARS

FINANCIAL YEAR END	31/12/2019	31/12/2018	31/12/2017	31/12/2016	31/12/2015
NUMBER OF MONTHS	12 months	12 months	12 months	12 months	12 months
Closing financial year capital (€)					
Share capital	50,565,699	50,565,699	50,565,699	50,565,699	50,565,699
Number of shares:					
- Number of ordinary shares outstanding	126,414,248	126,414,248	126,414,248	126,414,248	126,414,248
Revenue and results (€ millions)					
Revenue (ex-VAT)	682.5	703.8	679.6	658.6	643.6
Profit before tax, employee profit sharing and amortisation, depreciation and provision charges	206.0	200.3	206.8	156.6	181.9
Income tax	33.2	31.9	25.7	30.7	33.7
Employee profit sharing plan	4.3	4.7	3.6	3.7	3.5
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provision charges	155.8	167.0	137.1	102.5	108.5
Dividends paid	125.7	125.8	119.7	102.5	107.4
Earnings per share (€)					
Basic earnings per share – after tax, employee profit sharing, before amortisation, depreciation and provision charges	1.33	1.29	1.40	0.97	1.15
Basic earnings per share – after tax, employee profit sharing and amortisation, depreciation and provision charges	1.23	1.32	1.07	0.81	0.86
Ordinary dividend per share	1.00	1.00	0.95	0.85	0.85
Exceptional dividend per share	-	-	-	-	-
Workforce					
Average workforce size	947	944	762	771	744
Total amount of payroll*	69.5	71.5	51.6	57.8	53.0
Total employment benefits costs (social security, social welfare, etc.)*	36.0	37.7	29.9	29.4	29.8
* (€ millions)					

5.8 PARENT COMPANY CASH FLOW STATEMENT

	31/12/2019	31/12/2018
. Financial year net profit	155.8	167.0
. Depreciation, amortisation & provision charges	12.7	(3.3)
. Gains & losses from non-current assets disposal	0.6	1.4
. Other non-cash items	-	-
CASH FLOW FROM OPERATIONS	169.1	165.1
Movements in working capital requirements		
. Inventories	(4.7)	(24.1)
. Operating receivables	(211.8)	34.1
. Operating liabilities	24.2	49.1
NET MOVEMENT IN WORKING CAPITAL REQUIREMENTS	(192.4)	59.2
CASH FLOW FROM OPERATING ACTIVITIES	(23.3)	224.3
INVESTMENT ACTIVITIES		
. Intangible assets acquisitions	(3.8)	(5.4)
. Property, facilities & equipment acquisitions	(5.1)	(14.6)
. Investment acquisitions	(2.6)	(16.6)
. Intangible assets and property, facilities & equipment disposals	0.1	-
. Investments disposals/writedowns	2.5	26.1
NET CASH USED IN INVESTMENT ACTIVITIES	(8.9)	(10.5)
FINANCING ACTIVITIES		
. Share capital increase	-	-
. Other equity reductions	-	-
. Costs to be amortised over several financial years	-	-
. Proceeds from new borrowings	326.1	105.0
. Financial debt repayments	(250.8)	(115.0)
. Dividends paid	(125.8)	(119.6)
NET CASH USED IN FINANCING ACTIVITIES	(50.4)	(129.6)
Net change in cash and cash equivalents	(82.6)	84.2
Cash and cash equivalents - start of year	120.5	36.3
CASH AND CASH EQUIVALENTS - END OF YEAR	38.0	120.5

5.9 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

PricewaterhouseCoopers Audit

63 rue de Villiers
92208 Neuilly-sur-Seine

ERNST & YOUNG et Autres

Tour First TSA 14444
92037 Paris-La Défense Cedex
Simplified joint stock company with variable capital

Statutory Auditors' special report on regulated agreements

General Meeting to approve the financial statements for the year ended 31 December 2019

To the General Meeting of Métropole Télévision,

As Statutory Auditors of your Company, we hereby present our report on the regulated agreements.

Our role is to provide you, on the basis of the information given to us, with the characteristics, the essential terms and conditions of, and justification for the agreements brought to our attention, without having to issue an opinion on whether or not these agreements are useful or warranted. Pursuant to the provisions of Article R. 225-58 of the Commercial Code, it is your role to assess the interest in concluding these agreements, with a view to approving them.

It is also our role, if applicable, to inform you of disclosures required by Article R. 225-58 of the Commercial Code relative to the implementation during the year just ended of agreements approved by the General Meeting in prior years.

We have performed the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment. Such due diligence consisted in verifying that the information we were given was consistent with the information disclosed in their source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING

In application of Article L. 225-88 of the French Commercial Code, we have been notified of the following agreements concluded during the financial year just ended and which received prior approval from your Supervisory Board.

► **With the company RTL Group S.A., a shareholder of your company, to buy back shares to a maximum of 48.26%, acting on behalf of the company Immobilière Bayard d'Antin S.A.**

Persons concerned

Elmar Heggen (Deputy CEO of RTL Group S.A.), Philippe Delusinne (Chief Executive Officer of RTL Belgium S.A.), Vincent de Dorlodot (resigned from the Supervisory Board on 11 December 2019), Jennifer Mullin (Chief Executive Officer of Fremantle Média) and Juliette Valains (resigned from the Supervisory Board on 11 December 2019).

Agreement to buy back shares in your company

Nature and purpose

Your Company concluded an agreement with RTL Group S.A., acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in your Company, up to 10% of the share capital, in particular with a view to cancelling them.

Terms and conditions

This agreement, which was signed on 30 April 2019 following authorisation by the Supervisory Board at its meeting of 25 April 2019, is part of the share buyback programme pursuant to Article L. 225-209 of the Commercial Code of up to 10% of its share capital, authorised by the Combined General Meeting of 25 April 2019, and according to which the Executive Board may proceed with the acquisition of blocks of shares in your Company using an investment services provider, on and off the market, from RTL Group S.A.

In 2019, no shares were bought back under this agreement.

This agreement expires on 30 April 2020.

Reason the agreement is in the Company's interest

Your Supervisory Board justified this agreement as follows: this agreement is intended to maintain RTL Group S.A.'s equity investment below 49% of the share capital of the Company, in accordance with the provisions of Article 39 of the law of 30 September 1986 on the freedom of communication.

► **With Immobilière Bayard d'Antin S.A.**

Persons concerned:

Elmar Heggen (Deputy CEO of RTL Group S.A.), Philippe Delusinne (Chief Executive Officer of RTL Belgium S.A.), Vincent de Dorlodot (resigned from the Supervisory Board on 11 December 2019), Jennifer Mullin (Chief Executive Officer of Fremantle Média) and Juliette Valains (resigned from the Supervisory Board on 11 December 2019).

Cash management agreement

Nature and purpose

Your Company entered into a cash management agreement on 19 February 2010, which was renewed on 15 November 2011, 15 November 2012, 15 November 2013, 15 November 2014, 13 November 2015, 14 November 2016, 15 November 2017, 15 November 2018 and 15 December 2019.

Terms and conditions

Your Company may loan its surplus cash to Bayard d'Antin S.A. and borrow a maximum of €50,000,000 from Bayard d'Antin, providing this amount does not exceed 48% of amounts borrowed from banking institutions. In order to comply with your Company's cash management policy, the aggregate amount that may be invested by your Company with Bayard d'Antin S.A. shall never exceed more than 20% of the cash resources of Métropole Télévision Group.

Your Company may make deposits or borrow funds for periods of 1, 2 or 3 weeks or of 1, 2 or 3 months. The amount deposited or borrowed shall be a multiple of €1,000,000, with a minimum of €5,000,000 for each loan. The remuneration provided by this agreement is in line with market conditions.

At 31 December 2019, €25,000,000 were borrowed under this agreement.

Unless it is renewed, this agreement will expire on 15 December 2020.

Reasons the agreement is in the Company's interest

Your Board has given the following justification for this agreement: taking into account the financial terms and conditions appended to this agreement which are in strict compliance with what your Company practises with its subsidiaries and the limitations attached thereto, the Supervisory Board considered the agreement to be consistent with the corporate interest of your Company.

AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

We were not made aware of any agreement, previously approved by the General Meeting and which continued to be executed during the financial year just ended.

Neuilly-sur-Seine and Paris La Défense, 24 February 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Marty

Ernst & Young et Autres

Bruno Bizet



6

CORPORATE SOCIAL RESPONSIBILITY



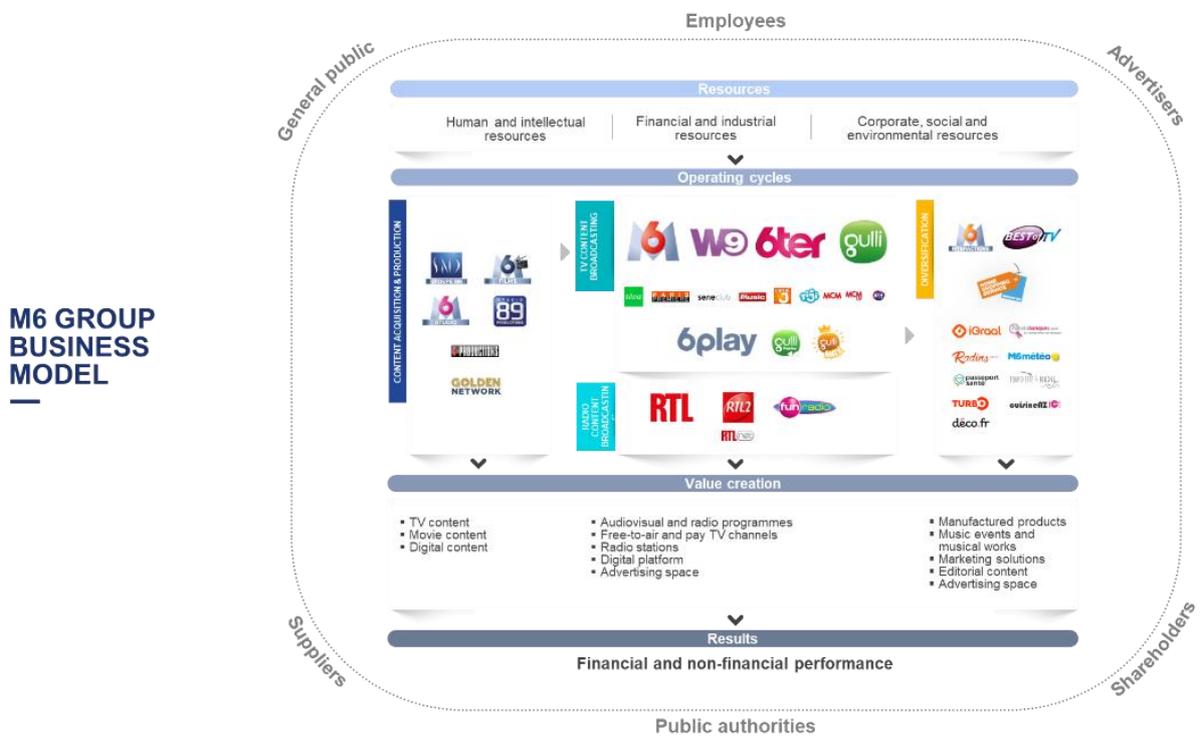
M6 Group is subject to the European Directive on non-financial reporting transposed into French law, which amended the scope of application of the previously applicable regulations (Article 225 of the Grenelle II Act and its implementing Decree).

This legislative background gave M6 the opportunity to look into its CSR (Corporate Social Responsibility) policy. The Group firmly believes that CSR is essential to the implementation of the strategy since contributes in full to the creation of value, as shown in this Report, and notably in the diagram below. Moreover, the corporate, social and environmental information provided by the Company enables stakeholders to better assess its overall medium- and long-term performance.

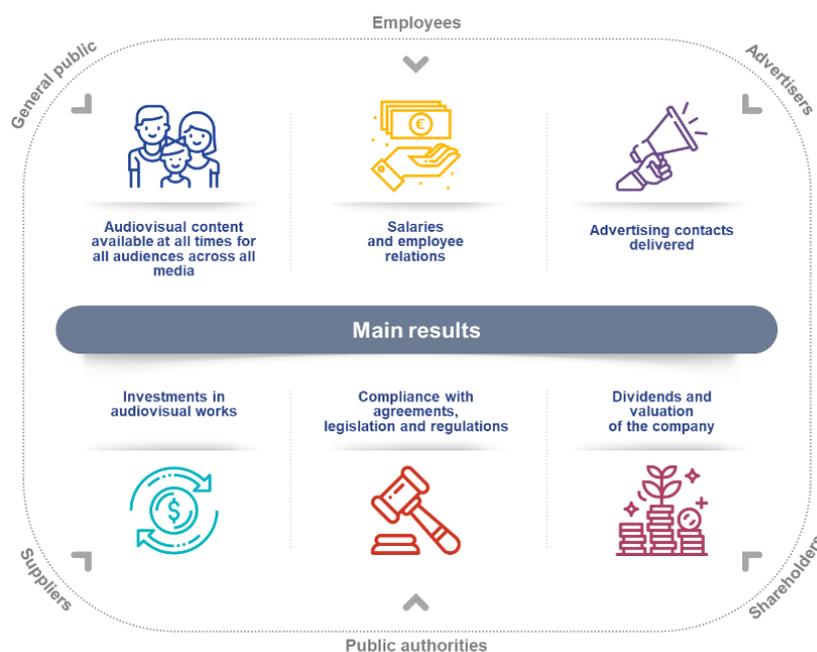
GROUP BUSINESS MODEL

At its meetings of 26 November 2018 and 18 November 2019, the Executive Board adopted and subsequently revised a diagram-based presentation of the “Group Business Model” (within the meaning of Decree n° 2017-1265 of 9 August 2017 enacted to implement Order n° 2017-1180 of 19 July 2017 relating to the publication of non-financial information by certain major companies and certain groups of companies), which presents an overview of the components of this value chain, and sources of revenue and growth for the Group.

This business model includes both financial and non-financial performance, and is intended to provide an understanding of M6’s medium- to long-term strategy and overall performance. The Group’s strategy is detailed in Section 1.4 of this document. Key non-financial figures are presented in Section 1.1.4.



FINANCIAL AND NON-FINANCIAL PERFORMANCE



To present its business model, the Group has taken the integrated reporting analysis framework of the International Integrated Reporting Council (IIRC) as its reference:

- In accordance with the options offered by the reporting reference framework adopted, M6 presents the resources used in 3 forms:

- Human and intellectual resources. Employees hold a privileged position within the value chain. Training and skills development are therefore essential resources for M6, which also relies on the expertise of teams and the intellectual property of formats and brands.
- Financial and industrial resources, which are the capital invested by shareholders as well as the profits generated over the years and reinvested in the development of M6. M6 also uses buildings, studios, warehouses, facilities, etc. to create value.
- Corporate, social and environmental resources, which are simultaneously the natural resources utilised (electricity, paper, etc.) as well as M6's commitments to society, the relationships between the Group's brands and the audience, etc.

- For each of the Group's business cycles (which are grouped into 4 segments of financial information), there are corresponding values created by M6 (audiovisual content, channels, etc.) that form the basis of financial and non-financial performance.

- Lastly, the Group's stakeholders are the source of the funds made available to the Company, and benefit from the value created: authors and creators, viewers and listeners, internet users and audiences, as well as employees and suppliers, rights holders and advertisers, customers and investors, consumers and shareholders, etc.

These M6 Group stakeholders are numerous and can be classified according to the types below:

- Employees, the company's leading "talents",
- The public, for whom the channels and programmes are intended,
- Suppliers, who supply the Group, particularly with audiovisual content,
- Public authorities, primarily including the French State and the CSA,
- Shareholders, whose invested capital allows M6 to operate, who vote in General Meetings and receive dividends,
- Advertisers who benefit from the commercial breaks made available to them.

KEY CSR CHALLENGES

Faced with various corporate, social and environmental challenges, M6 Group has been pursuing an active CSR policy for many years and clearly states its commitments to all its partners: it has developed a CSR policy structured around three priorities, directly related to its activities:

- Respect for the public and responsibility towards society: since the Group's activity is primarily intangible and cultural, the societal impact is the unifying thread of its commitment. Through its programmes, the Group actually enters into peoples' homes and therefore respect for viewers must be at the heart of what it does.
- Talent management: the Group firmly believes that its employees are the cornerstone of its success. It is for this reason that the Human Resources Department places employee selection and subsequent loyalty building at the heart of its concerns, and endeavours to promote employee development in all aspects of their professional life.

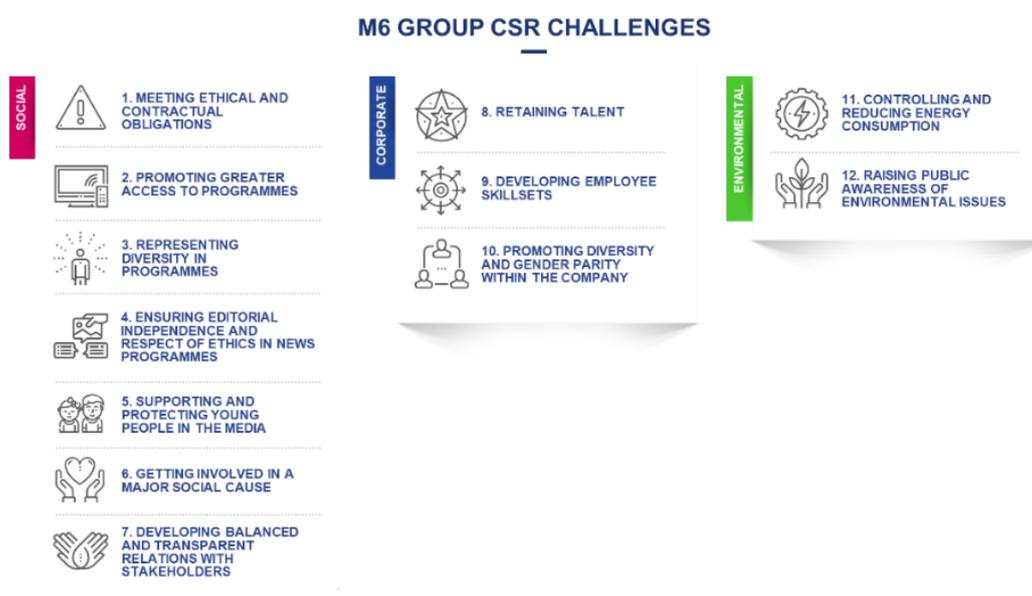
- Non-discrimination: taking diversity into account is a key concern for the Group, both in relation to audiovisual content and the audience it addresses. This is reflected notably by a cross-organisational and acknowledged commitment to promote equality and better representation of women and minorities in the media.

M6 has no “environmental priority”, since the Group does not carry out activities that structurally present a significant impact on the environment, particularly on climate change. The Group is nevertheless mindful that preserving natural resources is a key issue for the 21st century, At its own level, the Group is therefore involved in protecting the environment, while monitoring its own consumption and seeking to take action both in relation to recycling and raising public awareness regarding sustainable development issues.

Similarly, due to the very nature of its activity, combatting food waste, promoting animal welfare, and making responsible, equitable and sustainable food choices do not represent priority areas for the Group’s CSR policy. Nevertheless, mindful of their importance, it takes action in this regard and regularly deals with these issues in the news programming on its channels.

During the meeting of 18 November 2019, the members of the Executive Board formally updated the list of key CSR challenges for M6 Group. Closely related to its performance, and creators of long-term value, they represent the cornerstone of its CSR policy. The twelve challenges have been ranked by order of importance and include the M6 Group Corporate Foundation, which symbolises its social purpose.

During this meeting, they decided to alter the hierarchy of these challenges, in order to highlight the societal challenges, since respect for its audience and its responsibility towards society form the cornerstone of the Group’s performance.



The major challenges identified by the Executive Board during this meeting also include the management of personal data (which could have operational consequences on the online, e-commerce and home shopping subsidiaries), while GDPR came into force in 2018.

This list of priorities is not set in stone and could be developed over the coming financial years depending on changes to the Group and its environment.

KEY MEASURES AND INDICATORS

The analysis of these challenges, and the resultant opportunities and risks, enables their financial, corporate and environmental impacts on M6 Group to be anticipated, and practical operational responses to be made.

The main points raised by this analysis have been incorporated into the process to develop the risk matrix, as detailed in Paragraph 1.9 of this Universal Registration Document. The risks associated with the key challenges detailed above are therefore restated in the description of the risk factors (in Section 1.7), as explained in the correlation table below.

CSR CHALLENGES	ASSOCIATED RISKS	SECTIONS
1. MEETING ETHICAL AND CONTRACTUAL OBLIGATIONS	Risk related to broadcasting licences	1.7.3.1 6.1
2. PROMOTING GREATER ACCESS TO PROGRAMMES	Risk related to the fall in audience ratings	1.7.1.1 6.1
3. REPRESENTING DIVERSITY IN PROGRAMMES	Risk related to the fall in audience ratings Risk related to broadcasting licences	1.7.1.1 6.1 1.7.3.1
4. ENSURING EDITORIAL INDEPENDENCE AND RESPECT OF ETHICS IN NEWS PROGRAMMES	Risk related to the fall in audience ratings Risk related to broadcasting licences	1.7.1.1 6.2 1.7.3.1
5. SUPPORTING AND PROTECTING YOUNG PEOPLE IN THE MEDIA	Risk related to the fall in audience ratings Risk related to broadcasting licences	1.7.1.1 6.2 1.7.3.1
6. GETTING INVOLVED IN A MAJOR SOCIAL CAUSE	Risk related to a decline in audience ratings	1.7.1.1 6.2
7. DEVELOPING BALANCED AND TRANSPARENT RELATIONS WITH STAKEHOLDERS	Risk related to broadcasting licences Risk of an increase in programme costs Risk related to legislative and/or regulatory changes	1.7.3.1 6.2 1.7.1.2 1.7.3.2
8. RETAINING TALENT	Risk related to a decline in audience ratings Risk of an increase in programme costs	1.7.1.1 6.2 1.7.1.2
9. DEVELOPING EMPLOYEE SKILLSETS	Risk of an increase in programme costs	1.7.1.2 6.2
10. PROMOTING DIVERSITY AND GENDER PARITY WITHIN THE COMPANY	Risk related to broadcasting licences	1.7.1.2 6.2
11. CONTROLLING AND REDUCING ENERGY CONSUMPTION	Risk related to sensitivity to the economic climate	1.7.1.3 6.3
12. RAISING PUBLIC AWARENESS OF ENVIRONMENTAL ISSUES	Risk related to a decline in audience ratings	1.7.1.1 6.3

For each of the challenges, M6 has identified a priority lever, “the key action”, and has linked it to a priority indicator to monitor the implementation of its action plan:

CSR CHALLENGES	KEY ACTION	PRIORITY INDICATOR
1. MEETING ETHICAL AND CONTRACTUAL OBLIGATIONS	Verifying compliance of programmes with ethical and contractual obligations	Number of confirmed formal notices from the CSA over the year just ended
2. PROMOTING GREATER ACCESS TO PROGRAMMES	Subtitling programmes and making them available in audio description	Accessibility rate of the M6 channel's programmes to deaf and hard of hearing people
3. REPRESENTING DIVERSITY IN PROGRAMMES	Ensuring gender parity in programmes	Proportion of female presenters on the free-to-air channels' in-house produced news programmes
4. ENSURING EDITORIAL INDEPENDENCE AND RESPECT OF ETHICS IN NEWS PROGRAMMES	Ensuring journalists comply with their Code of Conduct	Number of confirmed warnings and formal notices from the CSA for the year just ended concerning professional standards
5. SUPPORTING AND PROTECTING YOUNG PEOPLE IN THE MEDIA	Implementing a fit-for-purpose rating system	Number of confirmed warnings and formal notices from the CSA for the year just ended concerning the signalling code
6. GETTING INVOLVED IN A MAJOR SOCIAL CAUSE	Developing the M6 Corporate Foundation dedicated to helping and improving the quality of life of inmates	Annual budget of the M6 Foundation
7. DEVELOPING BALANCED AND TRANSPARENT RELATIONS WITH STAKEHOLDERS	Developing a dedicated viewer relations department	Number of subscribers on social media
8. RETAINING TALENT	Developing employee loyalty (personalised follow-up of employees, pleasant working atmosphere and environment, attractive remuneration, team-building events, etc.)	Staff turnover
9. DEVELOPING EMPLOYEE SKILLSETS	Providing training to employees	% of employees who received training during the period
10. PROMOTING DIVERSITY AND GENDER PARITY WITHIN THE COMPANY	Committed to helping people with a disability	Number of workers with a disability
11. CONTROLLING AND REDUCING ENERGY CONSUMPTION	Limiting electricity consumption	Change in electricity consumption
12. RAISING PUBLIC AWARENESS OF ENVIRONMENTAL ISSUES	Broadcasting reports on current ecological issues	Number of items on the television news devoted to the environment

The actions taken in 2019 are detailed within this chapter. A cross-reference table available at the end of this chapter provides a link between the text and figures published in this document and the information listed in Article R. 225-105-1 of the French Commercial Code.

6.1 SOCIAL RESPONSIBILITY

1st Challenge: Meeting ethical and contractual obligations

M6 Group is keenly aware of its responsibilities as a media group with national reach and M6 Group is committed to remaining attentive to the social consequences of its activities. The Group’s channels pay close attention to ensuring they fulfil their promises under their various agreements, in line with the general principles of the Law of 30 September 1986, as amended.

PRIORITY INDICATOR: NUMBER OF CONFIRMED FORMAL NOTICES FROM THE CSA OVER THE YEAR JUST ENDED

	2018	2019
Number of confirmed formal notices from the CSA over the year just ended	0	0

A. Excerpts of the agreement between the Conseil Supérieur de l’Audiovisuel and M6 Métropole Télévision in terms of general and professional ethics obligations

The agreement between M6 and the Conseil Supérieur de l’Audiovisuel (CSA) covers general and professional ethical obligations to guarantee a robust commitment to civil society. It also stipulates that the Company is responsible for the content of the programmes that it broadcasts. In accordance with French constitutional freedoms of expression and communication and the company’s editorial independence, it ensures compliance with the principles of the clauses on the design and production of its programmes under conditions that guarantee its editorial independence, especially with respect to the economic interests of its shareholders.

In addition, the Company undertakes to refrain from establishing any business or financial relationship between companies of the Métropole Télévision Group and that of the principal shareholder or controlling shareholders that would diverge from usual business conditions noted in the market.

The obligations and undertakings in the agreement with the CSA also cover:

PLURALITY OF EXPRESSION OF SCHOOLS OF THOUGHT AND OPINION

The Company guarantees the plurality of expression of schools of thought and opinion.

PUBLIC LIFE

Pursuant to the right to information, the Company ensures compliance with the presumption of innocence, respect for privacy and the anonymity of juvenile delinquents.

Programme content must not incite to delinquent or anti-social behaviour. It must respect the political, cultural and religious sensitivities of the public and must not encourage discrimination on the basis of race, gender, religion or nationality. Programmes must promote the French Republic’s values of integration and solidarity and be representative of the cultural and ethnic diversity of French society.

Every year, the channel makes commitments to the CSA in order to promote the representation of the diversity of French society in its programmes for the coming year.

INDIVIDUAL RIGHTS

The Company must guarantee personal dignity and individual rights relating to privacy, image, honour and reputation, and ensure restraint is shown in the broadcast of images or testimonials liable to humiliate people, to avoid complacency in reporting human suffering, and ensure that individuals’ testimonies on facts regarding their private lives are only collected with their informed consent.

PROTECTION OF CHILDREN AND ADOLESCENTS

The family friendly nature of the Company’s programming must be reflected during the hours when a young audience is most likely to be watching, i.e. between 6am and 10pm. Within these time slots, and all the more so in the portion devoted to youth programmes, violence, even psychological, should not be perceived as continuous, omnipresent or presented as the sole solution to conflicts. The Company complies with the classification of programmes in accordance with five degrees of assessment of their acceptability in light of the protection of children and adolescents and applies the rating system accordingly.

INTEGRITY OF INFORMATION AND PROGRAMMES

The integrity requirement applies to all programmes. The Company verifies the validity and sources of information. Its origin must be specified wherever possible. Uncertain information must be qualified when presented. In sequences filmed using a hidden camera, it should be impossible to identify people and places, except where the individuals involved have given their consent before the programme is broadcast.

When the Company presents on air, outside advertising slots, audiovisual communication service editing or distribution activities developed by a legal entity with which it has a significant capital relationship, it should strive to give a strictly informative character to the presentation, in particular by moderating the tone and restraining the significance attached to the topic. It should point out the nature of this relationship to the audience on this occasion.

DEFENCE AND PROMOTION OF THE FRENCH LANGUAGE

The Company ensures the correct use of the French language in its programmes, as well as in adaptation, dubbing and subtitling of foreign programmes. The Company must strive to use French in the titles of its programmes.

The Group's other channels must also comply with these standard obligations. All agreements between Group channels and the CSA are available at www.csa.fr.

Monitoring the compliance of programmes is overseen by a dedicated department within M6 Group.

B. Ensure compliance of advertisements

The Group's sales house, M6 Publicité, has entrusted ARPP (*Autorité de régulation professionnelle de la publicité*), by way of an inter-professional agreement, with a consulting role in guaranteeing the compliance of advertisements with general audiovisual advertising and communication rules. The current procedure, at the expense of agencies and/or advertisers, provides for prior disclosure to the ARPP before the first broadcast. On submission to the ARPP, the ad is assigned a serial number which must be provided to M6 Publicité before broadcast. The ad can be cleared, rejected, or the ARPP can request changes prior to broadcast.

As mentioned in its General Terms and Conditions of Sale, M6 Publicité reserves the right to refuse to broadcast or suspend the broadcast of any advertisement, if it considers that it fails to comply with the laws, regulations and practices governing audiovisual advertising and communication, or if it is contrary to the channel's interests or those of its subsidiaries, or if the CSA subsequently deems that an advertisement is non-compliant and bans any further broadcast and/or demands that the film is withdrawn from air. The editorial quality and legal control aspects are managed by the agency's advertising broadcast department.

Moreover, like the entire advertising industry, M6 is committed to the advertisers' charter pledging to promote responsible communication, a charter whose FAIRE programme has extended the commitments to collectively lead those involved in the advertising ecosystem in an approach based on progress and responsibility. M6 Publicité's sales house has integrated these values into its business relationships.

As part of this, M6 is specifically committed to promoting, across all Group audiences, responsible behaviour and the respectful use of information relating to the private lives of its stakeholders in advertising and communication campaigns.

The Group does not broadcast any advertising in relation to firearms, pornographic material, alcohol or tobacco.

The Group also implements the CSA charter to promote a healthy lifestyle (health-promoting nutrition and physical exercise, and restorative sleep) in its TV programming and advertising.

Lastly, M6 Group, via the Group's sales house M6 Publicité, agreed in 2019 to support the brand social responsibility award, the Grand Prix de la Responsabilité Sociétale des Marques, a key lever for nurturing the reputation and trust capital of the brands.

Organised by ProDurable and Link Up Factory, this event strives to highlight and recognise the brands and services that build and develop their identities by leveraging an ethical and sustainable development model.

C. Ensuring the sound level compliance of TV programmes

M6 Group pays particular attention to the comfort of viewers and complies with the provisions of Decree No. 92-280 of 27 March 1992, which notably made it compulsory for TV channels to make the sound levels of programmes consistent with those of advertising breaks. Moreover, M6 Group participated in the consultation, after and on which the CSA based its ruling No. 2011-29 of 19 July 2011 that enabled editors to comply with these provisions by defining technical parameters relating to the sound intensity of advertising breaks.

D. Encourage a better understanding of the world

M6 Group seeks to deliver the most complete and most diverse information possible and, as stated in Article 3-1-1 of its agreement, "*develop a policy of programming magazines and documentaries promoting understanding of the contemporary world, by dealing with diverse subjects such as employment, integration, the economy, science, ecology and the consumer society*".

Capital, Zone Interdite, 66 Minutes, E=M6, Enquête Exclusive, Kid & Toi, le 12'45 and le 19'45 are programmes and magazines that illustrate, via the subjects dealt with, the M6 channel's commitment to inform and increase awareness of current and social issues and its expertise in deciphering major challenges.

E. Rely on fit-for-purpose governance structure

M6 corporate governance principles are governed by all the standards and laws applicable in France. Since 2000, Métropole Télévision has been a limited liability company with an Executive Board and a Supervisory Board, which offers a clear separation between Group operational management and the supervision of that management.

In addition, the organisation of corporate governance is repeated in the Bylaws, in accordance with French legislation and the agreement concluded by M6 with the CSA.

As such, within the framework of the provisions of Article 39 of the Law of 30 September 1986, no natural person or legal entity, acting alone or in concert, may directly or indirectly hold more than 49% of the share capital or voting rights of a company holding a broadcasting licence for a national terrestrial free-to-air television service.

Lastly, within M6 Group, there is an internal control mechanism aimed at ensuring:

- compliance with laws and regulations,
- application of the instructions and guidelines set by the General Management or the Executive Board,
- the proper functioning of the Company's internal procedures, especially those contributing to the protection of its assets,
- the reliability of financial information,
- and generally, contribute to control and efficiency of operations and the efficient use of resources.

By helping to prevent and control the risk of not achieving the objectives set by the Company, the internal control mechanism plays a key role in managing and steering the various operations.

This mechanism is detailed in the section dedicated to Risks in this Universal Registration Document (Chapter 1.7).

2nd Challenge: Promoting greater access to programmes

To M6 Group, and in accordance with the Law of 11 February 2005 on equal rights and opportunities, accessibility not only means the participation and citizenship of people with disabilities, but also taking account of disabilities, first and foremost by subtitling its programmes for the benefit of the deaf and hard-of-hearing.

PRIORITY INDICATOR: ACCESSIBILITY RATE OF THE M6 CHANNEL'S PROGRAMMES TO DEAF AND HARD-OF-HEARING PEOPLE

	2018	2019
Accessibility rate of the M6 channel's programmes to deaf and hard-of-hearing people	100%	100%

All M6 and W9 programmes (excluding commercial breaks, self-promotion, trailers, teleshopping, songs performed live and instrumental music, and live broadcasts of sporting events between 12am and 6am) were accessible to people with hearing difficulties, with the exception of several programmes that followed the cyberattack of 12 October: programmes that were subtitled under live conditions (news bulletins, Absolutent Stars, Turbo, etc.) on 12, 13 and 14 October as well as short programmes up to 28 December. 6ter has committed to subtitle 60% of its programmes. The channel has also pledged to make a specific effort regarding programmes aimed at younger viewers by making these shows available in sign language. In addition, Gulli has committed to subtitling at least 20% of its programmes, particularly during peak viewing times. In 2018 (according to the latest information published and validated by the CSA), Gulli has made 3,993 hours, equating to 51.3% of its programmes, accessible. From 2020, the minimum percentage will be raised to 30%. Moreover, the channel has committed to providing two programmes per week related to the world of the deaf and hard of hearing.

In addition, since 2009, the new broadcasting control room enables all Group channels to broadcast specific subtitles for the deaf and hard of hearing and thus provide access to the greatest number of broadcasts by Paris Première, Téva and M6 Music. Paris Première and Téva are thus committed to subtitling 40% and 20% of their programmes, respectively.

	M6	W9	6ter
Accessibility of programmes to the deaf and hard of hearing (subtitling)			
2017	100%	100%	60%
2018	100%	100%	60%
2019	100%	100%	60%
Accessibility of programmes to the blind and partially sighted (audio-description)			
2017	100 programmes including 55 new with audio-description	22 new programmes* with audio-description	12 new programmes* with audio-description
2018	100 programmes including 55 new with audio-description	22 new programmes* with audio-description	12 new programmes* with audio-description
2019	100 programmes including 55 new with audio-description	22 new programmes* with audio-description	12 new programmes* with audio-description

* never broadcast on the channel

In 2019, no obligation applied to Gulli regarding the accessibility of programmes for blind and partially sighted people, but the channel broadcast four original programmes featuring audiodescription. From 2020, it will offer audiodescribed programmes every year: three programmes in 2020, five in 2021 and seven from 2022.

3rd Challenge: Representing diversity in programmes

M6 Group holds diversity dear and seeks to ensure that its programming is as representative as possible of the diversity of French society so that all groups in the community can identify with the content offered on its channels. M6 Group channels are duty bound, as nationwide broadcasters, to reflect on their channels the image of multicultural France both by the promotion of the values of integration and solidarity and by the presence of minorities in its programmes.

PRIORITY INDICATOR: PROPORTION OF FEMALE PRESENTERS ON THE FREE-TO-AIR CHANNELS' IN-HOUSE PRODUCED NEWS PROGRAMMES

	2018	2019
Proportion of female presenters on the free-to-air channels' news programmes (excl. Gulli)	68%	68%

The Group's channels abide by the ruling of the Conseil Supérieur de l'Audiovisuel, aiming to promote the representation of the diversity of French society in the programmes broadcast by the national free-to-air terrestrial channels and Canal+. Each year M6, W9, 6ter and Gulli make commitments for the following year. The CSA monitors compliance with these commitments based, in particular, on the results of the diversity indicators. For 2018 (the last year monitored by the CSA), the Group's results were satisfactory.

All aspects of diversity are thus taken into account by M6 Group, notably to observe the criteria used by the Conseil Supérieur de l'Audiovisuel for its diversity indicator:

- socio-professional categories,
- perceived origin,
- disability,
- age,
- poverty.

Gender equality is now subject to particular scrutiny, since the competence of the CSA in this field was strengthened by Law n° 2014-873 of 4 August 2014 for real gender equality: CSA ruling n° 2015-2 of 4 February 2015, made pursuant to Article 20-1 of the law of 30 September 1986 as amended, on programmes related to combatting gender bias and violence against women.

M6 is also committed to combatting all other forms of discrimination (based on sexual orientation, against pregnant women, people suffering illness, etc.). In 2019, the channel notably broadcast a documentary for Enquête Exclusive reporting on homophobia worldwide.

A. Promoting socio-professional diversity on air

M6 Group is keen to represent all socio-economic categories in its shows, both in the reports in its programmes (this year, for example, M6 covered an issue suggested by the programme 66 minutes, “*De la cité à la scène*” (“From the Suburbs to the Stage”) and a documentary on *Zone Interdite* focusing on unemployment in France. The theme, “*Objectif zéro chômeur: l’incroyable histoire d’une entreprise pas comme les autres*” (“Target – zero unemployment – the incredible story of a company unlike any other”) highlighted the concept of companies focused on employment, which use the €18,000 annual cost of unemployment benefits to the State to hire individuals who have been unemployed for more than a year), as in the casting of its entertainment shows (*L’amour est dans le pré*, *Les Reines du shopping*, *Top Chef*, etc.).

B. Representing the diversity of origins

Similarly, the promotion of visible minorities is also a real priority for M6 Group, as demonstrated by the diversity of its team of presenters (Kareen Guiock, Karine Lemarchand, Laurence Roustandjee, Cristina Cordula, etc.), as well as by the actors and artists shown on its channels (*Le Marrakech du rire*, *Téva Comedy Show*, *Dans la tête de Jamel Debbouze*).

The Group’s commitment to inclusion is also seen in the reports and outside broadcasts shown on its channels (for example, *Kid & toi* broadcast a report called *A la découverte du Handisport*, about discovering disabled sport) and in its fictional programming, such as *La petite histoire de France* and *Scènes de ménages*, not to mention the films the Group has been involved in producing, such as *Premier de la classe* and *Let’s dance*.

As it does every year, the Group also ran an advertisement free of charge on 14 July 2019 to promote diversity.

C. Implementing a strong commitment to people with disabilities

M6 Group’s mission is not just to tackle the daily life of people with disabilities in its reports, but also to allow them to participate in the programmes and games, just like the other contestants (*La France a un incroyable talent*, etc.). Group channels strive to highlight the work and the actions of organisations for the disabled in most of the topics dedicated to this theme.

In 2019, M6 Group continued to broadcast a weekly TV news bulletin in sign language. Completely unprecedented, *Le 10 Minutes* is available on 6play and provides specific content intended for deaf people. Widely popular online, this programme has successfully found and increased its audience.

In 2019, 6Play enhanced its range of general interest programmes for the deaf and hard of hearing community – broadcasting the magazine show *D’ailleurs* since 3 July 2019. Subtitled to ensure accessibility for people with hearing difficulties, it covers a range of subjects (cultural, sporting etc.) through events broadcast in sign language.

During Disability Week, from 19 to 25 November 2019, M6, W9 and 6ter broadcast four short sign language music interpretation features throughout the day. Each portrays artists performing the songs of Orelsan, Vianney, Angèle and Christine and the Queens in sign language.

Special programmes were also on the schedule on free-to-air channels (one specific item included in M6 news programmes and one in *Kids & toi*).

Kids & Toi is a weekly programme on M6 aimed at a young audience and broadcast with sign language translation provided by an employee who is hearing-impaired.

D. Promoting gender equality

Gender equality remains central to the commitments of Group channels, both in the structure of the Group (see Section 6.1.3 of this document on the Group’s commitments to gender equality) and programming.

There are high levels of female representation in the news programming, with the 12’45 and 19’45 bulletins featuring mainly female teams. Current affairs and news bulletins are still pursuing their aim of significantly increasing the airtime of female experts. The Group notably makes sure that the judging panels for competitive talent shows on its channels are balanced between men and women (*La France a un incroyable Talent*, *Top Chef*, *Le meilleur pâtissier*).

The Group is absolutely committed to ensuring women are fairly portrayed in the music videos shown across the Group’s channels and restricts those it considers to be denigrating of women.

Promoting women in sport is also a priority for M6 Group. This year, it took part in “*Sport féminin toujours*”, an event organised by the CSA on 9 and 10 February to throw the spotlight on women’s sport in the French media. M6 broadcast various profiles of sportswomen during the weekend news bulletins and W9 also broadcast interviews with the France women’s football team.

The Group also lends its support to groups dedicated to gender equality. It has for example joined forces with the Fondation des Femmes women’s foundation by broadcasting a clip on its channels aimed at promoting its activities. The channels also covered International Women’s Day in their programmes and notably the News Bulletins on 8 March 2019 (a report during the 12’45 devoted to initiatives around the world celebrating women and in the 19’45 presenting a report on women’s rights).

4th Challenge: Ensuring editorial independence and respect of ethics in news programmes

As a media outlet with national coverage, M6 Group is fully aware of its responsibilities regarding the handling of information. One of its primary challenges is therefore to ensure editorial independence and respect of ethics in its news programmes.

PRIORITY INDICATOR: NUMBER OF CONFIRMED WARNINGS AND FORMAL NOTICES FROM THE CSA OVER THE YEAR JUST ENDED CONCERNING PROFESSIONAL STANDARDS

	2018	2019
Number of confirmed warnings and formal notices from the CSA for the year just ended concerning professional standards	0	0

In France, the main journalists' trade unions have adopted the Code of Professional Conduct for journalists. In addition, the "Convention Collective Nationale de Travail des Journalistes" (CCNTJ), a national collective agreement for journalists which applies to all journalists holding a press card in France, also sets out a number of ethical principles. This agreement is therefore applicable to journalists working within the Group, mainly in the national editorial services and at C. Productions, the subsidiary responsible for producing news magazines such as *Capital* and *Zone Interdite*.

In accordance with the Law of 14 November 2016 aimed at improving the freedom, independence and pluralism of the media, M6 Group has created a Journalists' Code of Conduct. This Code was jointly drafted by journalists' representatives and M6 Group management. Its purpose is to set out the key principles of independence, freedom, and the reliability and truthfulness of information as well as specifying the rights and duties of journalists and the management of M6 Group. In parallel with this Code, an Ethics Committee, made up of five people, has been set up for a period of three years in accordance with legislation.

The Group maintains total editorial and journalistic independence in its news gathering and broadcasting. Editorial and journalistic independence is fundamental to its news reporting and broadcasting activities. The Group is conscious of its responsibility towards the general public and acts accordingly.

Consequently, the Group refrains from exercising influence on journalistic investigations and refuses to let itself be influenced by external political or economic forces.

Furthermore, the Group complies with all laws, regulations and business principles relating to the separation of editorial content from commercial advertising.

5th Challenge: Supporting and protecting young people in the media

Protecting children and young people is one of the pillars of M6 Group's commitment to society. It assumes even greater importance given that this year the Group completed the acquisition of the DTT children's channel Gulli. The Group makes sure that the programmes broadcast by the Group on its channels go out at the appropriate times and that they do not include content that could be detrimental to the physical, mental and moral development of children and young people is an absolute priority for M6. The Group also support many voluntary initiatives aimed at children.

PRIORITY INDICATOR: NUMBER OF CONFIRMED WARNINGS AND FORMAL NOTICES FROM THE CSA OVER THE YEAR JUST ENDED CONCERNING THE SIGNALLING CODE

	2018	2019
Number of confirmed warnings and formal notices from the CSA for the year just ended concerning the signalling code	0	0

A. Reviewing content

M6 Group carries out a review of its programmes which varies according to the type of content. The content of our current affairs programmes is the responsibility of the editors, while news programmes like *Capital* and *Zone Interdite* are viewed by a special committee overseen by the Company Secretary's office.

Gulli has an ethics committee, which is made up of child psychiatrists, experts in the field of childhood, teachers and sociologists, and which is consulted regarding the make-up of the various content.

B. Setting an appropriate content ratings system

As far back as 1989, M6 took the initiative to introduce a content rating system that clearly flags the type of audience programmes are intended for. It was subsequently imposed on other channels by the Conseil Supérieur de l'Audiovisuel in 1996. However, the commitment of M6 in this area has not weakened and the Group also ensures that its daytime programmes do not contain violence, vulgarity, or anything likely to shock young viewers. Where content may not be suitable, the programme is rated and the appropriate message shown; alternatively, it is moved to a later time slot in the interests of protecting young viewers. For example, the Group closely monitors the development of co-produced series, from concept to delivery of the final episode. Dubbing of foreign films is also done with the greatest care. Thus, all the youth programmes, films, series, made-for-TV films, or music videos are viewed and validated by a Viewing Committee that gives its recommendations to the Ratings Committee, the final arbitrator of the allocation of the 4 categories (all viewers, under 10 years, under 12 years and under 16 years).

In addition, M6 Group channels supported and broadcast, on both their channels and their 6play on-demand services, the ratings campaign proposed by the CSA between 20 November and 10 December 2019 as well as the specific campaign for the protection of children under three which was held from 28 June to 1 July 2019.

Furthermore, pursuant to the terms of the CSA deliberation dated 17 April 2007, M6 has drafted a charter governing the participation of minors in its TV shows, with a view to protecting them and establishing specific conditions for participation.

C. Complying with the Food Charter and combatting childhood obesity

Under the auspices of the CSA and in collaboration with the Health Minister and the Minister for Culture and Communication, on 18 February 2009 TV channels, producers and advertisers signed a charter devoted to fighting childhood obesity in France. This charter, with a duration of 5 years and controlled by the CSA, grants preferential prices to the National Institute for Prevention and Education in Health, "Institut national de prévention et d'éducation pour la santé", to broadcast its prevention messages aimed at encouraging a balanced diet and physical activity. It includes editorial commitments by channels to promote and educate young audiences, in particular by promoting balanced eating behaviours and sporting activity.

M6 Group renewed its commitment to promote a healthy and balanced diet and physical activity in programmes and advertising, by signing, on 23 May 2013, a renewal of the food charter for a period of five years. The Group continued to implement the charter throughout 2019. A new improved, extended and better targeted charter is about to be signed for implementation between 2020 and 2025.

M6 Group thus supported and reported on the European Anti-Obesity Days on 17 and 18 May 2019 via special programming on the channels M6, W9 and 6ter (with, in particular, the broadcast of a piece called "*Combatting obesity*" in *Le 12'45* and an episode of E=M6 entitled "*Why am I putting on weight, why am I losing weight? /How can I bake cakes that are not fattening?*").

Gulli and the young people's channels Canal J and TiJi have historically been highly committed to this issue and in 2018 broadcast more than 758 hours of dedicated programmes that were promoted under the food charter.

D. Managing the use of the Group's social media

M6 Group is responsible for the information broadcast on its websites. Concerning its community sites, a service provider is responsible for moderation and, once the messages have become public, verifies those which are insulting, defamatory, racist or that represent any other incitement to violence or hatred and, where appropriate, removes them from the websites.

E. Assisting the authorities as part of the Abduction Alert scheme

The M6 network is a powerful contributor to the Alerte Enlèvement system, implemented in 2005 by all main radio stations and television channels that are signatory to a memorandum of understanding modelled on what has been successfully experimented in the United States for a number of years. It involves the mobilisation of maximum media power during the first 24 hours after a child has been kidnapped, and to broadcast over as wide an area as possible information that could lead to the child's rescue. This commitment by the Group consists of communicating essential information to as many people as possible, such as a description of the child or the abductor, as well as the circumstances of the kidnap, using tickers passing at the bottom of TV screens, programme interruptions, or the repeated showing of photographs to help identification. The system has proved its worth, as, to date, every time Alerte Enlèvement has been triggered the child has been found.

F. Supporting creation and new talents

As part of its production and broadcasting obligations, M6 is committed to developing artistic creation and to valuing its diversity by focusing on young talent in cinema, audiovisual works and music.

The Group thus shares its cinematic investments carried out by its subsidiary M6 Films between established producers and young talent. Over the past 10 years, 50% were either first or second films. For example, M6 Films co-produced Stéphane Ben Lahcene's feature film, *Premier de la classe*, with Mutamba Kalonji, which was released to cinemas in 2019.

On air, the Group is strongly attached to revealing new talent, including young actors in its audiovisual co-productions (*Scènes de ménages*, *En Famille*, etc.), presenters and hosts (Ophélie Meunier, Issa Doumbia, etc.) and programme participants (Norbert Tarayre, Samuel Albert, etc.). This desire is the Group's trademark, which is accompanied by loyalty to the talents discovered, as shown by the Group's support for their shows, record production, recipe books, new films, etc.

6th Challenge: Getting involved in a major social cause – The M6 Corporate Foundation

In 2010, M6 Group created its own corporate foundation, having decided to get involved in the sensitive issue of prison life.

The Group is committed to a cause that unites its employees around a project financed by all Group companies. The Foundation, which has a €2.5 million budget over five years, has set itself the target of supporting individuals who have spent time in prison at some point in their life, in order to combat reoffending and thereby support their reintegration into society. It is also working to break down barriers between the prison world and civil society, in order to help change perceptions of prisoners.

Pragmatism is in the DNA of M6 Group, and the approach to the prison environment by the Foundation is no exception.

The Foundation's concern is to identify the most useful actions to help those in prison prepare for their release and in the first instance to acquire vocational skills. The challenge is also to mobilise, in order to overcome potential divides: are civil society and the business world ready to give a second chance to people who have been in prison?

This commitment was born out of a finding relating to alarming reoffending figures, that jail without rehabilitation is harmful to society as a whole, and of a deep conviction, that business can provide other solutions to social issues – that is why M6 Group wanted to create a foundation dedicated to the issue of prison.

Through its Foundation, the Group brings employees together around shared projects. Each person has gained skills and possesses a talent that the M6 Foundation can leverage and which is an asset for it.

In addition to M6 Group's commitment, it involves the employees' commitments as citizens. Their mobilisation injects additional energy into the initiatives and gives extra meaning to the Group's commitment.

PRIORITY INDICATOR: ANNUAL BUDGET OF THE M6 FOUNDATION

	2018	2019
Annual budget of the M6 Foundation	€500,000	€500,000

A. Combatting reoffending: a major societal challenge

M6 Group is the only company to devote its foundation to issues related to the prison environment, considering that it is the duty of companies to commit to a genuine civic and socially responsible approach, all the more so for a powerful media group present in the public domain.

Although life in prison and reintegration into society continue to attract little media attention, the Group's project deals with a genuine social issue: in fact, 61% of prisoners reoffend within five years of their release from prison.

The M6 Foundation has made this finding the basis of its action, responding to high demand from organisations and prisoners themselves.

The aim of prison is under debate in society today: for some it is about punishment, for others it involves reintegration. Beyond any divisions, a realisation must take place – every person sent to prison ends up being released and one day once more becomes a citizen like any other.

The challenge is to increase the number of the most effective initiatives, to extend them and to create a ripple effect, including in relation to other companies.

B. Activities implemented by the Foundation

The Foundation's activities aim to enable inmates to become stakeholders in their reintegration. Throughout its 9 years of prison-based intervention, the M6 Foundation has gradually focused its activities on the following 3 areas:

- Reintegration via a return to employment or vocational training,
- Combatting illiteracy,
- Culture as a vehicle to relearn social skills.

EMPLOYMENT AS A TOOL FOR REINTEGRATION

The Foundation supports reintegration programmes via jobs and training as well as employment-related workshops focused on interpersonal skills.

CREATING A MINI-COMPANY TO LEARN HOW TO INTEGRATE AT WORK

The premise of the programme initiated by the organisation *Entreprendre to learn* “Mini Entreprise EPA” is that a team of young people, supported by a teacher, entrepreneur mentor or company employee, along with an EPA supervisor, come together during an academic year to create their own “real” size business.

The EPA methodology facilitates alternating between working in teams, tangible achievements and presenting projects to third parties. This system promotes career choice through discovering real life in business, experiencing business careers, project management, realisation of ideas, meeting targets, creativity, etc.

2019 key figures:

- 5 mini-companies created – 63 participants
- 18 business projects under development

MOBILITY: AN OBSTACLE TO GETTING A JOB

A driving licence is a springboard towards employability. Mobility problems represent an obstacle to accessing employment and professional training – the career sought may require a driving licence and the employment area may be poorly served by the public transport network...

Based on this observation, the M6 Foundation seeks to facilitate professional reintegration by taking mobility as the starting point for helping people released from prison, in their search for employment or training. The financial support allocated for obtaining a driving licence must facilitate the return to employment or professional training.

The M6 Foundation has allocated individual grants worth a maximum of €1,000 to enable individuals who are being monitored by organisations upon their release from prison to be able to learn to drive.

2019 key figure:

- 100 grants released, 50 of which have been allocated.

COMBATTING ILLITERACY

Starting from the finding that 11% of prisoners in France have literacy problems and 35% of them are almost completely illiterate, the Foundation is concentrating part of its work on combatting illiteracy: In fact, without adequate proficiency in reading, writing and arithmetic, all basic skills, the lack of independence in simple everyday situations makes reintegration more complicated.

“AU-DELÀ DES LIGNES” (“BEYOND THE LINES”) WRITING COMPETITION

For the fourth consecutive year, in 2019 the M6 Group Foundation organised the writing competition, “*Au-Delà des Lignes*” (“Beyond the Lines”) in the prison environment, in partnership with the Ministry of Education and the Prison Administration. This fourth edition was the first to be held nationally.

The competition aims to make enjoyment the focus of reading and writing once again. In each establishment, a writer, author, or journalist (member of the *Au-delà des lignes* jury) goes to meet participants to talk about language and demystify writing. The selection of the winners takes place in two stages with regional juries and a national jury.

Between January and April 2019, 453 men, women and children took part in the writing workshops held in 53 institutions. They dared, often for the very first time, to produce a piece of writing, encouraged by a jury that came to meet them in order to chat with them about the joy of words and offer them advice.

2019 key figures:

- 53 participating prisons (mainland France and overseas territories)
- 454 participants (including 14% female and 6% under the age of 18)

USING CULTURE TO OPEN UP TO THE WORLD

Culture has this amazing capacity to unite us while respecting our differences. Culture allows us to see the multiplicity and complexity of our world. Giving meaning, questioning symbols and depictions: whether they relate to writing, theatre, music, visuals or video, cultural initiatives in the prison environment are organised as a gateway into the world, via debate and discussion with many external contributors.

CLASSICAL MUSIC AND BOXING WITH THE PARIS CHAMBER ORCHESTRA

The creation of a show combining theatre, dance, classical and contemporary music, opera singing and sporting performance (boxing) is the ambition of this artistic and sensory experience, which is overturning the rules and certainties in order to progressively expand one's vision of the world and oneself.

Eight men imprisoned in Meaux-Chauconin jail for violent crimes took part in approximately 40 workshops, held twice weekly over a period of six months (boxing, writing, acting, dance). They also co-wrote and put on the show with artists. It was performed both inside the prison and externally, at the Bobigny arts centre.

The aims of this initiative were to:

- Promote interaction between artists and participants,
- Facilitate access to cultural activities for audiences unfamiliar with them,
- Promote integration through artistic activity and the social contact created during events.

C. A community of committed employees

The M6 Foundation raises awareness among Group employees and brings them together around an inspired and inspiring project, which testifies to the Company's awareness of its role in society as a corporate citizen.

In 2019, Group employees took part on more than 120 occasions to the Foundations' activities, contributing their assistance, expertise and experience in their respective fields as well as their time to support the 2 employees who work full time for the M6 Foundation.

Involvement during the "*Fleury fait son cinema*" festival to provide an introduction to film reviewing and careers in journalism at the Group's premises, practice job interviews, supporting children in prison, and helping to select projects, are all opportunities to involve employees in their Foundation's initiatives.

2019 key figures:

- 26 projects supported
- 59 correctional facilities addressed
- 120 cases of employee involvement in projects
- 22,000 prisoners and their families have benefited from the initiatives since the Foundation was created

D. Support for numerous other initiatives

RAISING PUBLIC AWARENESS OF WORTHY CAUSES

In addition, M6 is highly committed to promoting a more socially responsible television service and broadcasts messages and short films with a social content free of charge.

M6 intends to assist and to encourage not-for-profit and charitable actions and to increase the general public's awareness of them. In 2019, many campaigns from humanitarian, non-governmental and charitable organisations were thus broadcast free of charge on M6 and on the Group's digital channels, supporting causes in the fields of solidarity (Handicap international, French Red Cross, Fondation de France, Fondation pour l'enfance, Le Refuge, etc.), health (the fight against AIDS, cancer research, research into Alzheimer disease, combatting smoking, Imagine for Margo, etc.) and education/culture (combatting bullying at school, Unicef, etc.).

M6 Group also broadcast *Urgences Greffes*, a special immersive programme following the surgical teams at the Necker-Enfants Malades Hospital and those at the Foch de Suresnes Hospital. M6 also covered Tobacco Awareness Month in November 2019 in its news programmes.

On 13 October 2019 on M6, Enquête Exclusive broadcast a documentary reporting on "*Homophobia Worldwide*". M6 also broadcast a programme about school bullying, a very widespread problem in France that affects one in ten children. The cameras from 66 minutes filmed at a clinic, near Lille, in France, which looks after bullied children.

On 22 May 2019, M6 broadcast a documentary on "*The Right to Die – A French Taboo*". The programme looked into the circumstances of individuals in pain who wanted to make use of it, including 105 year-old Marie-Louise, who decided to travel to Switzerland for assisted suicide.

M6 also devoted several reports in its news programmes to the fight against tax fraud and tax evasion at various points during the year when major cases were in the news ("*Tax Fraud: Cristiano Ronaldo fined heavily*", "*UBS ordered to pay €3.7 billion for supporting Tax Fraud*", "*Balkany Trial: the Tax Fraud Element*", etc.)

In addition, M6 broadcast many items on human rights during its news programming ("*Thailand: Young Saudi woman refuses to return to Saudi Arabia*", "*George Clooney calls for a boycott of hotels linked connected to the Sultan of Brunei*", "*Combatting Fat Phobia: Overweight models on the Paris catwalk*", "*Murder of Women: a group organises a demonstration at Trocadéro*", etc.)

Lastly, the Group's news programmes also highlighted the fight against corruption through various reports ("*Opening of the Cristina Kirchner Corruption Trial*", "*Scandal of Match-Fixing in Spanish Football*", "*Benyamin Netanyahu Indicted on Corruption Charges*", etc.).

PREVENT, ACT AND INCREASE AWARENESS OF PUBLIC HEALTH CHALLENGES

M6 Group is at the forefront when it comes to harnessing the impact of its channels and airtime in support of public health issues.

For many years, a special mechanism, set up both on Group channels and on the Internet, has been in place to support the Sidaction campaign against AIDS, this year between 4 and 7 April 2019. The Group's channels, supported by presenters, have made Sidaction the keynote of a number of programmes, featuring trailers for the campaign, prevention information, awareness raising programmes, broadcasting of fundraising advertisements and short features on the TV channels.

M6 strives to regularly warn viewers of risks associated with alcohol and drugs in its many magazines and reports.

UPHOLDING RESPECT OF INTELLECTUAL PROPERTY

At a time where increased digitisation of media necessitates new measures to protect works, M6 Group, a producer and broadcaster of content, is helping to develop an effective policy to combat piracy and to uphold intellectual property.

This policy is based on two principal areas:

- reduction in the timeframe for broadcasting works, an issue addressed by the adoption of the Creation and Internet law and the signing of the interprofessional agreement;
- the development of catch-up television and Video on Demand, which gives viewers access to a varied range of programmes.

ENHANCING AND PROTECTING CULTURAL HERITAGE

The audiovisual rights subsidiaries of the Group contribute to the preservation of leading European films through the restoration of classic films.

This major restoration work was initiated in 2005 with the purchase of SNC's catalogue of over 400 classic films by M6 Group. A total of 146 films had been fully restored by the end of 2019.

During 2019, partnerships were renewed with Christian Dior perfumes (use for the fifth consecutive year of a clip from Robert Enrico's film, *Les Aventuriers*, for the *Eau Sauvage* commercial) and with the Musée de la Gendarmerie et du Cinéma in Saint-Tropez (relating to the six *Les Gendarmes* films). In addition, in 2019, the film *La Piscine* celebrated its 50th anniversary, with multiple events to mark the occasion, including 4K restoration, selection at the Festival of Lights in Lyon, cinema re-release, and the creation of a new poster by Laurent Durieux (one of the most talented poster artists of the moment).

ACTING AT A LOCAL LEVEL

M6 Group is a member of the organisation Neuilly Nouveaux Médias, a "1901 association" created in September 2010 by Jean-Christophe Fromantin, Mayor of Neuilly and Member of Parliament for Hauts de Seine, and consisting of the city of Neuilly-sur-Seine and the large companies located there.

The organisation's aim is to promote the development of innovative new media start-ups (selected via competitive selection) by providing them for a minimum of 23 months with premises made available by large companies.

Thus in 2019 M6 Group welcomed the start-up Billee to its Neuilly premises, and provided it with an office, 5 workstations and access to its common areas.

7th Challenge: Developing balanced and transparent relations with stakeholders

The role of M6 Group with everyone it deals with, such as shareholders, advertisers, viewers, customers or suppliers, is to maintain balanced and transparent relations with them.

PRIORITY INDICATOR: NUMBER OF SUBSCRIBERS ON SOCIAL MEDIA

	2018	2019
Number of subscribers on social media	8.7 million	9.3 million

A. Social media

M6 Group closely monitors developments on social media, and its presence there (Facebook, Twitter, Instagram) increases each year.

For the year ended 31 December 2019, M6 Group had 9.3 million subscribers with accounts for its free-to-air channels - excluding Gulli - on these various social media platforms (non-duplicated subscribers).

The Group also operated more than 30 accounts (in particular for its various shows) in 2019.

	M6		W9		6ter	
	2018	2019	2018	2019	2018	2019
Facebook	2,240,000	2,347,000	1,340,000	1,360,000	143,000	189,000
Twitter	3,110,000	3,177,000	774,000	792,000	34,200	34,000
Instagram	219,100	349,000	869,100	1,038,000	6,100	22,000
TOTAL	5,569,100	5,873,000	2,983,100	3,190,000	183,300	245,000

B. Viewers

In order to reply to viewer queries, M6 Group has a dedicated service.

In 2019, this website, “m6etvous.fr”, dedicated to viewers, recorded 1.9 million unique visitors (vs. 1.8 million in 2018).

More than 7,500 viewer queries were processed in 2019.

Today, the primary challenge for a media group is to encourage innovation in order to adapt to technological developments and changes in viewing habits and the use of its services. These developments have led the Group to widen the distribution and availability of its content over the past few years, necessitating investment in both networks and digitalisation as well as ascertaining the existence and development of a viable business model for these new uses.

Mindful of not encouraging viewers to gamble, the Group does not offer any online betting services either via the Internet or on its channels.

C. Consumers

M6 Group, with the development of its Ventadis business (Distance Selling) has acquired real expertise in customer relationship management, from the original order to customer service, to deal with all calls and requests in the best timeframes and conditions.

Ventadis does everything in its power to provide the best possible service when dealing with each of the parcels shipped annually.

D. Shareholders

M6 Group places strong emphasis on financial communication in order to deliver exact, precise and fair information to all shareholders, in accordance with applicable French standards and regulations.

Seeking to be attentive to the financial community and its shareholders in this matter, the Group set up new information formats for individual and institutional shareholders, via a website dedicated to current finances in French and English: [www.groupem6.fr/rubrique Finances](http://www.groupem6.fr/rubrique_Finances)

Shareholders may contact the Company using the dedicated e-mail address: actionnaires@m6.fr.

The information policy regarding shareholders and the financial community is detailed in Section 3.4 of this document.

Shareholders are particularly invited each year to attend or be represented at the Group’s General Meeting. They are also regularly invited to visit sets and production rooms, and to watch filming of television news programmes.

In addition, M6 regularly responds to questionnaires from non-financial rating agencies and maintains direct relations with socially responsible investors (SRIs) who can therefore underpin their assessments on the basis of in-depth discussions held in full transparency.

In 2019 and for the 7th consecutive year, M6 shares were selected in the composition of the Gaïa index comprising the 70 securities posting the best 2018 performances out of 230 companies analysed. This index, established by Ethifinance with the backing of the SFAF and MiddleNext, is an index devoted to midcaps based on non-financial data.

This index measures the depth of involvement of the companies assessed in challenges related to sustainable development and corporate responsibility. The rating is calculated according to 134 criteria of which 20 in particular cover the environment, 40 corporate aspects, and 50 others governance.

Considered to be a benchmark database in the world of SRI (Socially Responsible Investments), the Gaïa index enables management and analysts to discover the most responsible companies and to integrate non-financial concerns into their analysis processes and investment decisions.

Ethifinance has specifically highlighted M6’s best practices in the field of social policy.

E. Advertisers

Relations with advertisers and sales houses are governed by the Law of 29 January 1993, which came into force on 31 March, the so-called "Loi Sapin", which guarantees a completely transparent advertising market.

In 2019, M6 Publicité conducted a study “*The Era of Responsible Brands*” with the aim of supporting, via our media outlets, the increasing power of brand communications that engage. The challenge for this study was to better understand where French people stood in terms of responsible consumption, what they were doing in real terms, who were the most engaged groups, what obstacles need to be removed, and what levers brands and the media should be activating.

The study was based on monitoring and analysis work by both the Group and the sales house, as well as a field investigation, focus groups and a quantitative analysis, in partnership with the Iconics and Sociovision institutes.

M6 Publicité got consumers to react to brand marketing campaigns (packaging, adverts, radio, brand content video) in order to identify the tangible levers on which brands should communicate more. It is now no longer enough for brands to produce a video about their commitments and then say they are a responsible brand. We are witnessing a change in the advertising paradigm: we are moving from a fantasy based on a product to the reality of the product, its intrinsic qualities and its commitments to the planet in order to serve a more activist consumer.

Communications must include supporting data, clear messages and must affirm their commitments within all their initiatives. Lastly, M6 Group’s sales house and Kantar Média have together created a CSR variable that enables the significant progress of these brand initiatives on TV and Radio to be measured. M6 Publicité now estimates that it accounts for 9% of TV and 4% of radio investments.

F. Suppliers

Relations with suppliers, particularly programme producers are set out by multi-year contracts as regards US studios (films, series), that ensure the smooth exchange of content. In addition, M6 Group plays a major role in creating French and European audiovisual and cinematic works, by dedicating a significant part of its advertising revenue to numerous co-productions and by reserving part of its investments for independent producers.

More generally, M6 Group is pursuing a policy that aims to develop sustainable and balanced relations with its suppliers and sub-contractors: for all of its purchases, M6 follows an approach that aims to take into account not only economic factors but also social, corporate and environmental factors. The Legal Department works to ensure that suppliers comply with all provisions relating to intellectual property, press and publicity rights, that they pay due attention to ethical aspects and are committed to meeting safety and security requirements.

This policy is used by the purchasing divisions of the various entities and subsidiaries of the Group.

By way of illustration, the Group’s Production and Legal Departments have introduced into pre-purchasing contracts for animated programmes a clause requiring the supplier to comply with International Labour Organisation conventions, in particular those relating to forced labour and child labour. Should the contractor fail to comply with any of these provisions whatsoever, M6 will be entitled to request the automatic termination of the contract.

Similarly, as part of its major purchasing of services or products, SND, the Group subsidiary responsible for the distribution of audiovisual rights, is very mindful of the environmental and corporate commitments undertaken by its suppliers. The measures taken by each provider such as the recycling of waste, use of CAT (centres providing sheltered employment), equal pay for men and women, compliance with competition rules, etc. are also transmitted to SND and taken into account in the choice of suppliers during tendering.

Lastly, on DTT, M6 Group’s channels are aired thanks to a network of 1,626 broadcast sites, whose operation is guaranteed by various broadcasters, following invitation to tender. During procedures to award these sites, and given the high levels of electrical power required for the operation of the network, M6 Group encourages broadcasters to give priority to solutions offering the best energy efficiency.

6.2 CORPORATE RESPONSIBILITY

8th Challenge: Retaining talent

The Group firmly believes that its employees are the cornerstone of its success. It is for this reason that the Human Resources Department places employee selection and subsequent loyalty building at the heart of its concerns, and endeavours to promote employee development in all aspects of their professional life.

PRIORITY INDICATOR: STAFF TURNOVER

	2017	2018	2019
STAFF TURNOVER	9.3%	10.4%	10.7%

After the integration of the Radio Division into the workforce in 2018, the resultant restructuring, and the business synergies, turnover remained stable in 2019.

A. Promoting the stability and diversity of the workforce

Breakdown of M6 Group workforce by type of contract

	2017	2018	2019
Permanent contracts	2,001	1,966	1,970
Fixed-term contracts	263	252	311
TOTAL WORKFORCE	2,264	2,223	2,281

At 31 December 2019, M6 Group's total workforce was 2 281 people, compared with 2 223 at 31 December 2018, including 1,970 on permanent contracts in 2019, compared with 1,966 in 2018. The net change in the number of permanent contracts is detailed below:

WORKFORCE AT END DECEMBER 2018	1,966
External recruitments	114
Integration of companies (Jeunesse TV and Jeunesse Thématique)	107
Event contract workers/service providers made permanent	18
Fixed-term contracts made permanent	18
Departures	
<i>Resignation</i>	<i>-110</i>
<i>Redundancy</i>	<i>-32</i>
<i>Termination by mutual agreement</i>	<i>-66</i>
<i>Retirement</i>	<i>-8</i>
<i>Other (end of trial period, etc.)</i>	<i>-37</i>
WORKFORCE AT END DECEMBER 2019	1,970

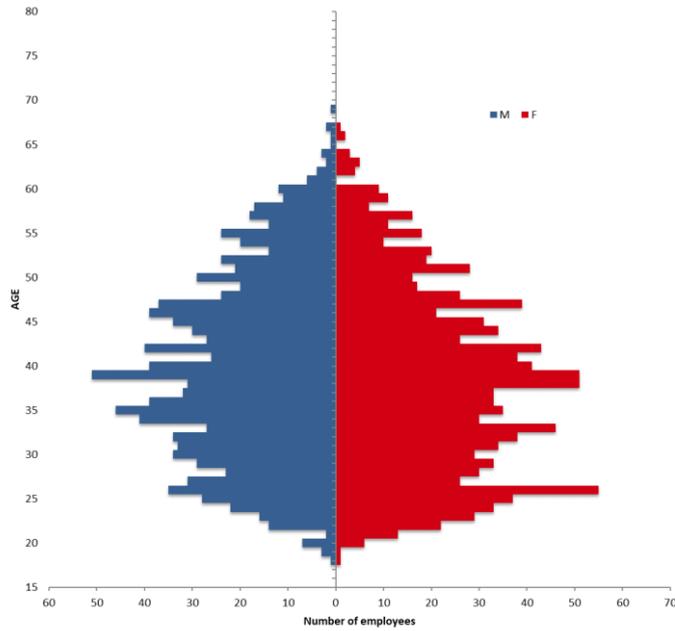
In order to ensure gender equality, M6 Group pays particular attention to balancing its workforce.

At 31 December 2019, the Group's workforce was made up of 51% of women and 49% of men, distributed as follows:

Breakdown of M6 Group workforce by category and by gender

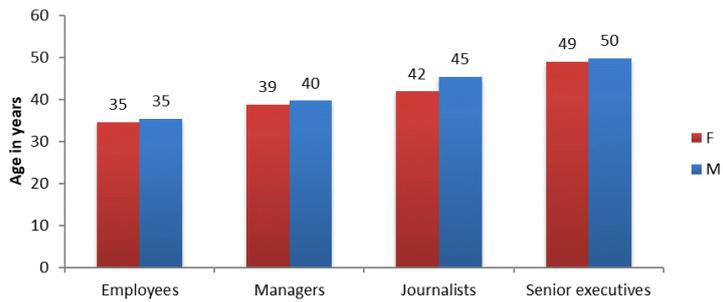
	2019	Male	Female
Employees	606	287	319
Managers	1,348	625	723
Journalists	269	164	105
Senior executives	58	43	15
TOTAL	2,281	1,119	1,162

Age pyramid

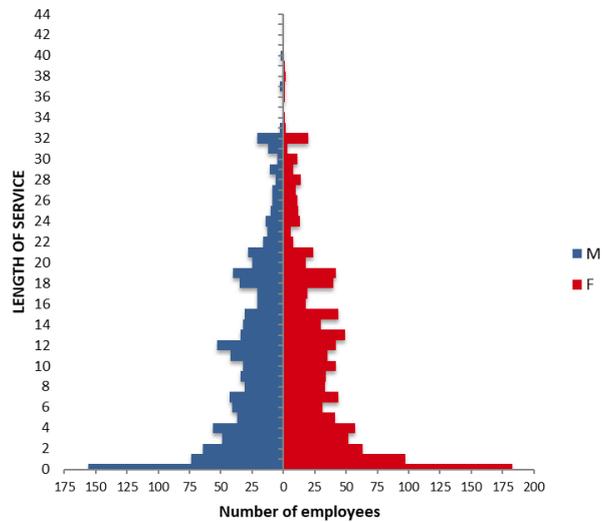


The average age of Group employees is 38.9 years, with 38.1 years for women and 39.8 for men.

Average age of permanent workforce by category and gender

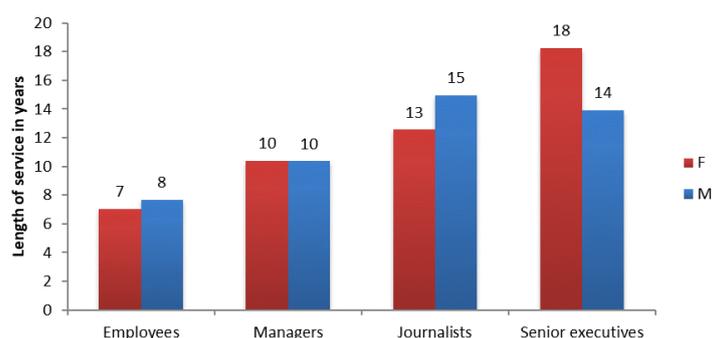


Length of service pyramid



The average length of service within the Group is 10.1 years: 10.5 for men and 9.8 for women.

Average length of service of permanent workforce by category and gender



Breakdown of permanent workforce by division

It should be noted that from 2019, the 6PLAY activity as well as the technical platform, until then both integrated in the Diversification Division, are now consolidated in the TV Division, equating to 92 employees at 31 December 2019.

	2017	2018	2019
TV	1,149	1,156	1,377
Radio	459	435	413
Production & Audiovisual Rights	94	90	96
Diversification	562	542	395
TOTAL	2,264	2,223	2,281

Breakdown of fixed-term contracts

	2017	2018	2019
Fixed-term contracts	165	141	182
Work experience contracts	80	80	88
Apprenticeships	18	36	41
TOTAL FIXED-TERM CONTRACTS	263	257	311

Event contract workers

	2017	2018	2019
FTE EVENT CONTRACT WORKERS AND FREELANCERS	446	454	422

B. Implementing a flexible working time arrangement

Group employees benefit from an organisation of their working time calculated in hours or days according to their categories.

Main working time arrangements by category

	Average annual working time	35-hour week overtime
Employees	1,575 hours	22 days
Managers	215 days	variabilisation
Journalists	205 days	11 days
Senior executives	Not applicable	Not applicable

Part-time work

M6 Group firmly believes that providing its employees with a good work/life balance contributes to the Company's performance and has no hesitation in offering flexible working hours.

At 31 December 2019, 160 employees were on a part-time permanent contract, of which 70.6% were women. In total, they represented 116.9 FTEs.

Lastly, following the integration of the RTL Radio Division, new agreements (new Company Wide Agreement and Agreements on Working Time and Arrangements) were concluded, notably incorporating the implementation of several new systems such as the introduction of remote working for employees whose activity and autonomy allow.

Reasons for absence

Types of absence (in working days)	2018	2019
Number of sick days	15,351	16,222
Number of days absent for maternity/paternity/parental leave	4,864	4,581
Number of days absent due to work and travel related accidents	837	837
Number of days absent due to exceptional holidays	2,657	2,716
TOTAL	23,709	24,356
Absenteeism rate*	4.2%	4.3%

* Excluding Cizar, Socciadict (2018 - 2019) - I Graal (2018)

In addition, during the 2019 financial year, 7,412 hours of overtime were worked by M6 Group employees compared with 8,432 hours in 2018.

In 2018 the volume of additional hours was unusually high, in connection with the integration of the Radio Division.

C. Providing an attractive remunerations and benefits system

The pay packages of M6 Group employees are reviewed on an annual basis as part of the annual salary review. Employees may benefit from individual performance-based increments.

In addition to their basic salary, all employees receive a 13th month salary. Best Of TV and Sociétés des Musicales from the Radio Division do not receive a 13th month, with the exception of journalists. In 2020, all permanent Musicales employees will receive a 13th month.

This is supplemented for 949 employees in 2019, compared with 925 in 2018, by variable remuneration primarily based on performance indicators (financial indicators, revenue, audience share, box office ticket sales, etc.). This increase reflects the Group's commitment to encouraging better individual and collective performance by as many employees as possible.

CHANGE IN AVERAGE REMUNERATION

The average remuneration of the Group's permanent employees in 2019 amounted to €61,195, compared to €60,459 in 2018.

EMPLOYEE SAVINGS

PROFIT-SHARING AGREEMENT

Several profit-sharing agreements have been signed within M6 Group.

The results of the various Group companies made it possible to establish a special reserve for profit-sharing for 2018, and paid in 2019, totalling €9,847 K, compared with €9,329 K paid in 2018 for 2017; 2,689 employees benefited, compared with 2,938 employees the previous year.

BONUS SCHEME

A Group-wide bonus scheme (excluding Ventadis) was concluded on 27 June 2017 with the various representative groups for the next three financial years, i.e. until 31 December 2019.

Total bonuses (excluding Ventadis) paid in 2019 for 2018 were €4,930 K, i.e. €1.8 K per employee.

Employees of the Ventadis division received no bonus payments for 2018.

GROUP SAVINGS PLAN

In 2019, M6 Group (including the Radio division) renewed its Group savings plans under which the Group matches the individual contributions of each employee. This year, the amount paid in respect of this contribution was €1,595 K.

In total, the amounts paid by the Group in respect of employee savings (Bonus Scheme, Profit-Sharing and Contribution to the Group Savings Plan) were €16,372 K, compared with €15,911 K in 2018.

Lastly, the management of employee savings (excluding the Radio division) was entrusted to an external organisation, which offers employees the following seven funds, which vary in terms of yield and risks:

- FCPE Diversifié Actions (70% shares, 30% bonds), high yield but high risk;
- FCPE Diversifié Taux (20% shares, 80% bonds) modest yield but lower risk;

- FCPE Monétaire (100% money market), low yield and risk free;
- FCPE “M6 Group”, 100% METROPOLE Télévision shares;
- FCPE Impact ISR rendement solidaire, a diversified FCPE, invested in European markets, of which between 5 and 10% in socially responsible shares;
- FCPE Avenir sélection patrimoine (50% shares, 50% bonds);
- FCPE Perspective conviction Europe (100% external institutional funds).

MUTUAL HEALTH INSURANCE AND PROVIDENT FUND

Permanent employees of M6 Group benefit from a private healthcare costs scheme and a provident fund, providing a higher rate of reimbursement for healthcare costs and covering employees against the risk of disability, incapacity and death.

PRIVATE HEALTH SCHEME

The main purpose of the private health scheme is to supplement the amounts reimbursed by the state social security system for medical costs (hospital admissions, medicines, dental and optical charges, health checks).

For Group employees, excluding Ventadis and Radio employees who have a separate scheme, membership of the private health scheme is mandatory and must correspond to the individual’s family circumstances. In 2019, the monthly contribution was €129.31, with payment split between employee and employer as follows:

- family contribution: the employee pays 50% of the contribution and the employer pays 50%;
- individual contribution: the employee pays 40% of the contribution and the employer pays 60%, in order to make the scheme attractive to young employees.

Permanent employees of Ventadis benefited in 2019 from a private health scheme, membership of which is mandatory. Employees may choose between an individual scheme and a family scheme. Monthly contributions range from €44.41 for the basic individual scheme to €62.64 for the family scheme. The employer pays €53.53, regardless of the scheme.

PROVIDENT FUND

The scheme provides:

- Incapacity cover, supplementary payments in addition to the benefits in kind provided under the state social security insurance schemes for health, maternity, work-related accidents and occupational illness,
- Life insurance cover,
- Disability cover.

For Group employees, excluding Ventadis, all employees on a permanent or fixed-term contract benefit from this cover from the start of their employment. Subscription is mandatory. Payment of contributions is split between employee and employer. All Group employees belong to a single scheme, regardless of status (with the same percentage contribution and the same division of contribution payments between employer and employee).

In 2019, all Ventadis employees benefited from an insurance scheme, which varied depending on the companies and involved different contributions according to status.

TOTAL REMUNERATION OF 10 HIGHEST PAID EMPLOYEES

In 2019, a total amount of €6 295 K was paid to the 10 highest paid Group employees (excluding Nicolas de Tavernost, a corporate officer) compared with €6 164 K in 2018, of which €1,771 K was variable remuneration in 2019, compared with €1,861 K in 2018.

SUPPLEMENTARY DEFINED CONTRIBUTIONS RETIREMENT SCHEME

In 2007, marking its desire to improve loyalty among senior executives and to meet their expectations in enhancing their pension cover, a supplementary and compulsory defined contributions retirement scheme was put in place for this category of personnel.

This scheme enables the creation of an external individual retirement account whose objective is the payment of a life annuity. Management of this account was entrusted to an insurance company that is recognised on the Paris stock exchange.

In accordance with Decree n° 2012-25 of 9 January 2012 confirmed by Circular n°2013-344 of 25 September 2013, employees with remuneration paid in n-1 equal to or higher than 4 PASS* (annual social security ceiling) are beneficiaries of the supplementary pension scheme.

At 1 January 2020, 53 M6 Group employees benefited from this scheme.

In 2018, employees from the companies Information et Diffusion as well as former Ediradio staff continued to benefit from their own defined contributions pension scheme, via a specific mechanism.

D. Promoting social dialogue within the Company

M6 Group complies with the Labour Code and applicable collective agreements with regard to social dialogue, the exercise and protection of trade union rights and employee representation.

M6 Group also complies with the provisions of the International Labour Organisation's fundamental conventions on the freedom of association and the right to collective bargaining, and in particular the ILO's conventions C87, C98 and C135.

Furthermore, to emphasize its commitment to this issue, the Métropole Télévision ESU (economic and social unit) signed an agreement relating to trade union rights on 5 April 2018.

Various unions are represented within M6 Group: In this way, within the ESU made up of the companies Métropole Télévision, M6 Bordeaux, Paris Première, Sedi TV, Edi TV, M6 Thématique and M6 Génération, (bringing together 945 employees), the union representative bodies are as follows after the most recent employee representative elections, held in 2018:

- CFE-CGC with 36.2% of the votes, represented by one union delegate,
- CFDT with 22.0% of the votes, represented by two union delegates,
- FO with 22.0% of the votes, represented by one union delegate,
- CGT with 10.1% of the votes, represented by one union delegate,
- CFTC, not deemed representative with 9.1% of the votes, is represented by a local union delegate.

At 31 December 2019, M6 Group comprised 14 economic and social committees with 150 elected representatives (all bodies combined and taking into account the holding of multiple offices) and 2 health, safety and working conditions commissions and 11 elected representatives.

These various employee representative institutions promote regular and active social dialogue. In 2019, on average 14 ordinary and extraordinary meetings took place every month with employee representatives (across the various bodies).

Within the ESU (Métropole Télévision, M6 Bordeaux, Paris Première, Sedi TV, Edi TV, M6 Thématique and M6 Génération), Economic and Social Committee meetings (housing committee, catering, gender equality, training, psychosocial risk, etc.), were held regularly in order to have a close understanding of employee concerns.

The key points raised during ESC committee meetings or by single employee delegations during 2019 were as follows:

- the unilateral decision to pay an exceptional spending power bonus - Law 2018-1213 of 24 December 2018,
- amendment of the Group's Rules and Regulations (addition of the Right to Disconnect Charter),
- appointment of a Sexual Harassment and Sexist Conduct Officer from the members of the ESC, and an HR Officer,
- an assessment of the agreement relating to the integration and retention in employment of disabled people,
- the proposed purchase by M6 of Lagardère Thématique et Jeunesse TV,
- the employee savings scheme paid out in 2019,
- occupational health annual report,
- the professional gender equality index,
- review of 2018 training, 2019 provisional training plan,
- 2020 professional training priorities,
- Social policy and working conditions,
- the economic and financial position of the ESU (2018 annual financial statements, CICE tax credit).

Moreover, an ongoing dialogue is regularly maintained with union representatives. As such, in 2019 more than 40 meetings were held, leading to the conclusion of 24 collective agreements during the course of the year.

The aim of these agreements included harmonising employment foundations, developing adaptability between journalists, improving working conditions, promoting professional gender equality as well as supporting the financial performance of the company.

Lastly, through employer organisations to which it belongs, M6 Group is a stakeholder in the negotiation and development of draft collective agreements for public and private television broadcasting and radio broadcasting.

E. Improving health and safety at work

SAFETY

The safety and working conditions of employees are central concerns of the Group's management and elected members of the Group health, safety and working conditions committees and social and economic committees.

The areas for which these bodies are responsible are monitored on a regular basis through regular or extraordinary meetings. Security at the entrances to all buildings remains tight, including outside Paris (checking of badges and identities of people from outside the Group, limited access to certain buildings and to parking areas) despite the fall in the Vigipirate level (France's national security alert system).

The shop stewards have been informed of all the measures that have been implemented.

REFURBISHMENT

In 2018, following the integration of the RTL Radio division, 1,364 workstations were relocated between the various sites in Neuilly-sur-Seine and Paris.

These refurbishment projects improved communication and dialogue between the teams and the Group's departments. In 2019, M6 Group, seeking to go further in the refurbishment of working spaces, rolled out a flexible office structure in some of its entities. The implementation of this project was the subject of an ongoing dialogue developed with the staff representative bodies and employees concerned. The project was supported by an external consultancy and dedicated training in the field was rolled out.

This new structure notably helped provide optimum conditions for welcoming the teams from the Youth TV Division as part of the purchase of the division of Lagardère Group's channels (excluding Mezzo).

QUALITY OF LIFE AT WORK

As part of the policy relating to prevention of psychosocial risks, the Group continued to offer specific training to raise awareness among various company stakeholders to ensure they identify risks and respond accordingly.

In 2019, 7 managers attended a QLW training session within the Group.

The Group continued its "Wellbeing" initiatives in 2019 via sleep therapy and meditation workshops provided to employees each month.

Moreover, as part of all training sessions organised for the managers, the latter learnt more about the right to disconnect, in accordance with the provisions set out in the charter relating to the right to disconnect.

ANNUAL PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Annual reviews of quality of life at work and psychosocial risks are prepared within the ESU and M6 Group subsidiaries (excluding Ventadis). Indicators by department concerning human resources and corporate aspects (mobility, absenteeism, turnover, age pyramid, seniority, etc.), working conditions (working hours) and health and safety (number of occupational and commuting accidents, medical exams, etc.) provide the basis for an analysis of the information and the solutions required to ensure the smooth running of the department.

In addition, as part of their annual appraisal, each employee is encouraged to consider their work-life balance and to monitor their workload. These indicators are then considered alongside the employee's manager and the Human Resources Department in order to ascertain the need to implement, where necessary, an action plan to ensure this balance. Elected members receive a review on an annual basis.

Pursuant to the French law on professional training, all Group employees with at least two years' seniority are offered a professional interview. The purpose of this interview is to review the employee's professional career and discuss with them their professional development (skills, mobility or redeployment project, etc.). An interview is held in less than two years if the employee is returning from an extended period of absence or wants to move to another position in the company.

As is the case every year, M6 Campus – M6 Group's training body – offered managers the opportunity to attend training to ensure the success of their annual reviews as well as their professional interviews. In 2019, 65 training sessions were delivered demonstrating the commitment of managers to ensuring the various reviews are successful.

SAFETY, HYGIENE AND HEALTH TRAINING

In 2019, 61 people underwent safety standards training (evacuation, use of fire-fighting equipment, etc.), 12 of whom were trained as workplace first aiders:

- 1 employee attended initial OHS training,
- 1123 employees attended OHS training on recycling,
- 49 employees attended fire training.

Lastly, 22 journalists and reporting engineers (radio and television) also received first aid training via a custom developed session run specifically by a member of the marine commandos.

OCCUPATIONAL HEALTH

The nurse is present daily at the medical room and can therefore give preventive advice to employees and answer any questions they may have on various subjects, notably via the enterprise social network Blender, by indicating the positions to adopt for sedentary work, recommendations in the event of a heatwave, good hygiene and vaccination measures in the event of flu, the procedure to follow in the event of a medical emergency, benefits in the event of pregnancy, etc.

The occupational health doctor and the nurse gave vaccinations to 33 employees in 2019.

The nurse also monitors personnel who work at night, under the supervision of the occupational health doctor, as part of intensified individual follow-up.

The annual occupational risk prevention and improvement of working conditions programme was updated.

In addition to setting out the discussion processes with employee representatives, such representatives have been specifically informed about all the initiatives introduced within M6 Group, and in particular in relation to the psychosocial risk prevention policy.

Unlike in previous years, there was no annual blood donation campaign, as the roadworks in the Avenue Charles de Gaulle meant that the mobile blood donation van could not park.

Work-related accidents and illnesses:

	2018	2019
Work-related accidents resulting in lost time	10	8
Frequency rate ¹	2.12	1.70
Severity rate ²	0.042	0.038

⁽¹⁾ Frequency rate: number of accidents resulting in lost time of more than one day occurring over a 12 month period per million hours worked. ⁽²⁾ Severity rate: number of sick days compensated per 1,000 hours worked.

F. Offering an attractive working environment

BENEFITS AND SERVICES OF THE WORKS COUNCIL

The Group's community enterprises budget was €1,333 K in 2019 (compared with €1,181 K in 2018). This amount is set in line with a percentage of between 0.50% and 0.95% inclusive of the total payroll for each ESU, subsidiary and for Ventadis.

The Group's Social and Economic Committees offer a number of benefits to employees: gift-vouchers for births, contribution towards costs incurred by employees in sporting or cultural activities, participation in / organisation of holidays, sporting or tourist weekends in France or abroad, etc.

OFFICE REFURBISHMENT

As part of the refurbishments completed in 2018, and in 2019 notably subsequent to the arrival of the Radio division within the Group, particular attention was paid to working conditions. Over the two years, 1,364 workstations were relocated between the various sites in Neuilly-sur-Seine and Paris. In addition, as part of the refurbishment of working spaces in flexible office mode, an initiative was launched to support the employees concerned.

As such, employees, managers and staff representatives could take part in joint-construction workshops relating to the introduction of the flexible office, and be actively involved in selecting an effective and attractive layout taking into account the constraints of the structure and the working environment. This new structure affects 347 employees.

These new layouts were completed by providing ergonomic working tools, and co-working and silent relaxation areas, thereby promoting a pleasant working environment.

INTERNAL COMMUNICATION

Through its various initiatives, Internal Communication continues its role providing information, support and coordination to employees in their daily lives within M6 Group.

INFORMING AND SUPPORTING EMPLOYEES

To enable them to stay up to date with what is happening within the Group, employees have a Corporate Social Network, Blender, which is available on all devices (desktop, smartphone and tablet). Here they can find all practical information (processes, HR information, tutorials for work-related solutions, etc.) and regulatory content (company agreements, minutes from ESCs, etc.).

In addition to internal announcements, employees can always discover new content, notably:

- Interviews with the Executive Board and the Heads of Channels: Every three months, Executive Board members take the floor to give a review of the few months just ended and identify the upcoming challenges (TV channels, financial results, advertising market). Each month, the Heads of the Group's TV channels post a video for employees detailing the performances of the programmes and the new shows on in the schedules.
- Reports from behind the scenes at M6 Group: In order to highlight the work of employees and the synergies between the entities, the internal communications team regularly goes to meet them in the field to show how they contribute on a daily basis to the success of M6 Group (special programme, "25 Years of RTL2, 25 Years of Pop and Rock Hits", "Fun Radio Ibiza Experience", etc.).
- Profiles of employees: To showcase the diversity of careers (more than 250) within M6 Group, employees are regularly interviewed, in a fun video format, to discuss their career path, daily routine, role, etc.

To celebrate 10 years of the "19'45", a special edition for employees was produced by the National Newsroom. Broadcast exclusively through Blender, Xavier de Moulins, Nathalie Renoux and Karen Guiock took a look back in pictures at how the M6 Newsroom operates, the key dates in TV news, French and international guests, with Nicolas de Tavernost and Thomas Valentin in the studio.

Moreover, spaces dedicated to specific events / issues are also set up on Blender in order to better inform employees. As part of the integration of former Lagardère employees into the Group, an area was created to provide them with all the practical information they would need for their arrival in Neuilly. The introduction of the "flexible office" on a number of floors in Neuilly was also covered in a dedicated space to answer any recurring questions from employees.

This information was also provided on digital signage screens in the Group's various buildings and emailed to all employees.

In addition, two initiatives have also been created to enable employees to improve their knowledge of M6 Group:

- **“Instant Café”**: This monthly meeting enables approximately 10 employees (permanent staff, students on work / study courses, trainees, etc.) to chat with a member of the Executive or Management Committee for over an hour. In 2019, more than eight directors took part in this event (Head of Fun Radio / RTL2, Director of Communications, Director of Procurement, DTL Director of News, etc.)
- **“Breakfast”**: Every two months, Nicolas de Tavernost invites around 15 employees from across all entities to an informal breakfast to chat with them about the history of the Group, tell them about the main activities and discuss the major challenges to come over the next few years...

DAY-TO-DAY ACTIVITIES FOR EMPLOYEES...

A different activity is offered each day to enable employees to meet up and to have the opportunity to interact and chat together:

- **Eco-responsible activities**: In 2019, a collaborative vegetable plot was created, in the garden at 46 rue Jacques Dulud, with the help of the French start-up “*Ciel mon Radis!*”. After several joint-development workshops, several plots, covering more than 150m², were prepared and planted by volunteer employees of M6 Group. Every Tuesday, about 30 employees take turns to tend M6 Group’s volunteer vegetable plot. Budding gardeners can discover the benefits of gardening and harvest the fruits of their labours weekly (tomatoes, lettuce, courgettes, raspberries, strawberries, etc.).
- **In-house conferences**: In order to better understand the digital and media ecosystem, conferences led by “in-house professional experts” are held regularly in the auditorium and live / via catch-up on Blender: a summary of the Consumer Electronic Show (CES) trade fair by Innovation Management, presentation of the new programme schedules by the Heads of the TV and Radio channels, etc.
- **Going behind the scenes**: Employees can register to go on visits, led by “professional experts”, to see the master control room from where all M6 Group’s signals are broadcast, visit the “Jean Drucker” set where the 19’45 is filmed every day, and the studios of the radio stations RTL / RTL2 and Fun Radio, etc.
- **Preview screenings**: In 2019, more than 20 films, co-produced by M6 Films / distributed by SND, or new programmes broadcast on M6 Group channels, were shown during sessions reserved for employees (“*Nicky Larson et le parfum de Cupidon*” (M6 Films), “*Top Chef*” (M6), “*Minute par Minute*” (W9), etc. To enable employees to enjoy films with their families, special days were arranged to see preview screenings of the films “*Playmobil: The Movie*” and “*Vic the Viking*”.
- **Wellbeing activities**: Each month, two sleep therapy and one meditation session are provided for employees. It should be noted that, as part of the “Quality of Life at Work” week, theme-based activities were introduced (self-massage, laughter and chair yoga, conference on nutrition, etc.).
- **Sporting events**: On several occasions in 2019, the Group’s beginner and experienced runners formed an #M6Team to take part in races – “*10 km de Paris*” under the M6 Group banner, “*Spartan Race at the Stade de France*” with a Fun Radio team and the “*Sine Qua Non*” run with a téva team, to help combat violence against women, etc.
- **Social activities**: Competitions are held regularly on Blender to give employees the chance to attend events organised by the TV and radio stations: “*Le Grand Studio RTL*”, “*Concert très très privé RTL2*”, “*Fun Radio Ibiza Expérience*”, etc. are all opportunities for employees to discover French and international artists under special conditions.

G. Providing opportunities to the talents of tomorrow

	2018	2019
Number of trainees received during the period, for a period of 3 to 6 months	244	249
% of trainees hired at the end of their training period (permanent or fixed-term)	12%	15%
Number of work/study students received during the year	116	129
- Apprenticeships	36	41
- Work-based learning	80	88

Throughout the year, many initiatives are run for students to enable them to discover and better understand the media world, to facilitate their integration as a trainee / student on a work / study course and generate their loyalty, in the event that they are recruited to work within M6 Group:

- Making M6 more attractive to young people:

- Developing partnerships with schools by welcoming student promotions within the Group and by participating in student forums.
- Inspiring the young and sharing our love of broadcasting: In 2019, almost 180 school children aged 14 and 15 were welcomed into M6 Group on job shadowing placements. This immersion into the world of media allowed them to learn about how the Group operates, and to meet and chat with employees, perhaps even to inspire some careers...
- On social media: Thanks to its “M6Campus” accounts (Facebook, Twitter, Instagram, LinkedIn), students can learn about the day-to-day lives of employees via #laviechezm6, as well as any HR news, job offers and placements at M6 Group. Video profiles also help them to discover the diversity of careers and employee experience within the company.
- Welcoming new talents:
 - Recruiting the future work / study students of M6 Group: To mark the sixth edition, the “Journée de l’Alternance” (“Work / Study Day”) initiative was changed to “Semaine de l’Alternance” (“Work / Study Week”). After watching a presentation video of their future manager, each candidate was also asked to submit a video application. Following pre-selection by the HR team, candidates were invited to the offices to meet their future manager during an interview. During this week of recruitment, 110 students were welcomed by more than 70 mentors. Following these meetings, more than 70% of the invited candidates were recruited by the Group.
 - Finding the journalists of tomorrow: Journalism students can attempt to join the TV and Radio editorial teams via three competitions:
 - a. #PrixMoJoM6 (M6): Asma Mehnana (IJBA Bordeaux) won the third edition and was awarded a fixed-term contract within M6’s National Newsroom. Following an application-based selection process, 6 finalists are invited to the offices to produce a report using a smartphone on a specific issue under real conditions. The competition, open to final year journalism students at the 14 schools recognised by the Journalists Agreement, helps to identify the future Mo(bile) Jo(urnalist)!
 - b. Jean-Baptiste Dumas Scholarship (RTL): Thomas Dullin (EPJ Tours), Aurélia Valarié (EDJ Grenoble) and Romain Houge (CFJ Paris), were all winners of the 2019 edition as chosen by the jury made up of journalists from the RTL editorial staff. This competition, named after Jean-Baptiste Dumas, a former RTL journalist, who died following the Furiani Stadium disaster in 1992, is open to students in their final year at Journalism School.
 - c. #RTLChallenge “Digital journalism” (RTL): Esther Serrajordia (IFP Paris) and Paul Turban (Sciences Po Paris), winners of the fifth edition, joined the digital editorial staff of RTL on work-based study programmes for a period of 12 months. Launched in 2015, this competition is open to students at the end of their first year of their Master’s at journalism schools.
- Retaining trainees and students on work / study courses:
 - Promoting the integration of young people into internships and work placements: To support trainees and work / study students within the GriyuoGroup, Welcome Days are held regularly. These sessions, offered to young recruits, help them to develop their knowledge of the Group, its activities and careers, and to create their first professional network, etc.
 - Preparing for M6 Group future recruitment: Before the end of their training period, the young people have an interview with their supervisor, in order to carry out an overall assessment of their work experience and validate their choice of professional direction as well as their potential and motivation to work for the Group. Their job applications are given priority for filling junior roles immediately following the end of their training period or subsequently.
 - Measuring the satisfaction levels of trainees and students on work / study courses: For the third consecutive year, M6 Group received “Happy Trainees” certification, awarded by choosemycompany.com. With an overall rating of 3.87/5, this certification recognises the welcome, integration and support offered to trainees and students on work / study courses, within M6 Group.

H. Ensuring compliance with ethical and professional conduct guidelines

As well as complying with its legal and contractual obligations, M6 Group has set out a code of ethical and professional standards that all employees must observe in their own behaviour and to guide them in the actions they undertake. These standards apply to all employees regardless of status or position, including those at the highest level. Individuals must be guided by principles of professionalism and trustworthiness at all times, not only towards M6 Group, but also towards the public, customers and suppliers. They must abide by the laws and regulations in force and adhere to the standards of professional ethics set out by the Group.

Each new recruit is provided with a copy of M6 Group’s professional ethics code, which also sets out the behaviour expected of employees with regard to personal conflicts of interest, sensitive data, gifts and invitations, and the periods during which employees must refrain from dealing in the company’s shares. A copy of this code is also available on the Group’s enterprise social network.

In 2017, M6 Group rewrote its Ethics Code, which has become the Code of Ethics and Professional Conduct. This Code, attached to the Internal Regulations of Group Companies, deals notably with the following subjects:

GENERAL STANDARDS OF BEHAVIOUR

COMPLIANCE WITH THE LAW

M6 Group conducts its business in full compliance with the laws and regulations of the legal framework within which it operates. Group employees are required to adhere strictly to all laws and regulations relating to commercial companies in general, and the audiovisual and film sectors in particular. Under no circumstances should they disregard these statutes nor should they interpret them in a way that will damage Group companies.

M6 GROUP'S COMMITMENTS AS AN EMPLOYER

All the decisions taken in relation to recruitment, hiring, discipline, promotion and other employment measures must be free of all discriminatory practices. Psychological and sexual harassment is prohibited.

Furthermore, pursuant to Decree n° 2017-564 of 19 April 2017, M6 Group has implemented a professional whistleblowing system. This enables a whistle-blower to report, selflessly and in good faith, a serious matter, such as a crime or an offence, of which they have personal knowledge.

CONFLICTS OF INTEREST

When, during the normal course of their work, employees are confronted with a situation in which a decision deemed to be in the best interests of the company conflicts with their personal interest, they are encouraged to inform their line manager or a company manager in order to resolve the conflict of interest as soon as possible.

FRAUD PREVENTION

M6 Group ensures that all the company's tangible and intangible assets are used and treated responsibly, including its products, business equipment, information systems and intellectual property. To this end, all employees are made aware of the fact that the company's assets must be used exclusively for the business purposes for which they are intended and not put to improper personal use or used for illegal or other illicit purposes.

The Group has implemented appropriate control measures (described in Paragraph 1.8 of this document) to prevent any form of fraudulent activity.

FREEDOM OF EXPRESSION AND SOCIAL NETWORKS

A policy on the use of social networks is issued to the Group's employees as a reminder of certain principles. In exercising their right to free expression, inside or outside the company, employees are required to avoid expressing publicly any opinion that may be taken to represent the position of M6 Group or its managers, to respect their obligation of professional discretion and loyalty towards the Group and to refrain from disclosing confidential information. These principles apply to all employees but especially individuals who may have a high public profile due to their role, their level of responsibility, their degree of public exposure or their prominent position on social networks.

INTERNAL CONTROL

Every employee is involved in improving the management of the Group's risks and helps to identify and correct failings. There must be no impediment to the smooth progress of the audits and checks carried out by the internal audit department of the statutory auditors.

RELATIONS WITH OUR COMMERCIAL PARTNERS AND THIRD PARTIES

RELATIONS WITH OUR COMMERCIAL PARTNERS

M6 Group acts with integrity in its joint business activities and expects its commercial partners to comply with the law.

RELATIONS WITH GOVERNMENT BODIES AND REGULATORY AUTHORITIES

Responsibility for M6 Group's institutional relations rests with the Corporate Affairs Department where a dedicated team is in constant dialogue with the various stakeholders and regulators. The Group maintains statutory links with all relevant regulatory bodies and government institutions.

COMBATTING CORRUPTION AND INFLUENCE PEDDLING

Conducting business lawfully and maintaining the highest ethical and professional standards are essential components of the Group's corporate culture. It is the obligation of every employee to adopt the correct behaviour in order to ensure these standards are maintained.

In accordance with Law n°2016-1691 of 9 December 2016 relating to transparency, anti-corruption and modernising the economy, known as the "Sapin II" law, the Group's Code of Ethics and Professional Conduct defines and illustrates the different types of behaviour to be prohibited due to it likely constituting corruption or influence peddling.

As a general rule, employees must refuse gifts of any kind if they are of a higher value than would be deemed reasonable by the Group if it had to pay for them. Furthermore, any gift or invitation is deemed unacceptable if it could be regarded as likely to influence the behaviour of the recipient towards the donor.

COMPETITION

The Group complies with anti-trust legislation and competition regulations. It has adopted a Code of Conduct and provides training on its implementation. Members of the executive committee and any other personnel particularly exposed to competition law issues can refer to the Code.

IT

IT CODE OF CONDUCT

M6 Group has an IT Code of Conduct that was overhauled in 2018. This Code sets out the rules for using the IT solutions made available to employees. It specifically provides that employees use them within fair and legal limits, and do not use them to cause harm to either a private individual or a legal entity, or to disrupt the proper functioning of the Group’s information systems.

COMPUTER ENGINEERS’ CODE OF CONDUCT

The Computer Engineers’ Code of Conduct details the principles and ethical rules that programmers must routinely apply, whether they are employed by M6 Group or are service providers, to perform their roles. It stipulates, amongst other things, that computer engineers must demonstrate integrity, must not carry out any illegal or unethical orders, and it notes their confidentiality obligation.

CONTENT AND PROGRAMMING

AGREEMENT SIGNED WITH THE CSA

M6 Group is committed to ensuring its networks comply with the codes of conduct and professional ethics set out in agreements signed with the CSA.

PROTECTION OF INTELLECTUAL PROPERTY

M6 Group respects and protects intellectual property and protected content in all its forms. As a media company, the Group is fully aware of the particular importance of protecting intellectual property in its business activities.

INSIDER TRADING

The Group has adopted an ethical trading code of conduct intended to prevent insider misconduct. This code complies with recommendation No. 2010-07 of the AMF (French markets regulator), dated 3 November 2010, and applies to anyone who has access, or may potentially have access, to insider information. It prescribes the rules applicable to all Group employees and is available on the intranet. A new version of this Code came into force in 2017, in accordance with Regulation (EU) 596/2014 on Market Abuse and Article 622-2 of the AMF General Regulation.

9th Challenge: Developing employee skillsets

The Group believes that its employees represent its main asset and are the foundation of its success. Within a sector undergoing huge change, training and internal mobility are major performance drivers.

PRIORITY INDICATOR: % OF EMPLOYEES WHO RECEIVED TRAINING DURING THE PERIOD

	2018	2019
% of employees who received training during the period	45%	39%
<i>Excl. Ctzar and Sociadict (2018-2019) - Excl. iGaal (2018)</i>		

	2018	2019
Number of employees who were promoted during the period	169	176
% of employees who were promoted during the period	9.7%	10.2%
Number of employees who benefitted from in-house mobility during the period	61	73
Number of employees who received training during the period	975	712

A. Successfully integrating new arrivals and showing them the Group’s careers

From their very first day, employees have the opportunity to consult a “digital induction guide” online: a welcome video by Nicolas de Tavernost, practical information, the main points of contact, introduction to M6 Group’s activities, etc.

Moreover, throughout the year, employees can register to take part in in-house conferences: presentation of the new season line-up, presentation of the TV and radio activities, TV and radio audience ratings.

B. Conducting annual reviews and developing careers

Every year, all employees have an annual review with their manager. In addition to an appraisal of the results attained over the course of the year just ended, this also provides the opportunity to assess the efficiency of training programmes undertaken, the skillsets used and professional balance (workload and organisation, work/life balance).

Since 2015, employees have also benefited from a second review with their manager, entitled the professional review. This individual review takes place at least every two years, and is mandatory after a long leave of absence (a sabbatical, for example).

The annual review as well as the professional interview is available in confidential digital format accessible to each employee and archived for future years on the enterprise social network.

Needs and/or comments expressed during the reviews are analysed and addressed by the Human Resources Department throughout the year.

C. Encouraging internal mobility and promotions

Internal mobility is a strategic focus that combines supporting the employee in their career plan as well as their fulfilment within the Group. It is a long-term approach and requires planning with the assistance of various parties.

In 2019, 39% of permanent contract opportunities were filled internally, demonstrating the Group’s ability to support and develop its employees.

To enable employees to grow within the Group, M6 has developed new support tools.

An “*Internal Mobility – How does it Work*” pack was created to explain internal mobility and present the different tools and workshops available to employees seeking progression. In order to answer employees’ questions, meetings were organised by the Careers and Skills Development in the Group’s various buildings.

A “*premium*” process was set up for employees who are relocating, enabling them in particular to access expert run workshops, such as “Digital CV and Identity” and “mobility interview coaching” or to prepare a process of personalised meetings.

The systems used to communicate our in-house opportunities have been improved. To ensure greater visibility, all situations vacant within M6 Group are posted on the homepage of the Corporate Social Network and an “Internal Mobility” group was set up to help employees easily find information on this topic. In particular, video examples of employee mobility can be found within this group. Current opportunities are also accessible via screens in the lifts and in the break rooms. Lastly, whenever a new opportunity arises, an email is sent out detailing the top offers of the moment with the engaging slogan, “And if it were you?”.

D. Implementing an active and agile training policy

M6 Group is keen to develop the skills and talents of its workforce and has an active and agile training policy offering “Occupational”, “Management”, “Personal Development” and “Group Culture” courses.

	2018	2019
Training investment	€1,056 K	€624 K
Training initiatives	1,832	1,068
Number of hours' training	16,297	12,204
Number of employees who received training during the period	975	712

Information based on permanent contracts – Excluding Ctzar and Socciadict

Included are the training programmes that have been fully or partially financed in the budgeted training programmes and skills training periods.

2019 was marked by the implementation of the Law of 5 September 2018 relating to the freedom to choose one's future career, with this new legislation significantly reforming financing as well as the different training mechanisms. Included are the training programmes that have been fully or partially financed in the budgeted training programmes and skills training periods.

The total training expenditure in 2019 was €624 K, demonstrating M6 Group's continued commitment to talent development. This training investment thus led to the funding of 1,068 training initiatives representing a total of 12,204 hours. Overall, 712, or 39%, of employees benefitted from training in 2019.

In 2019, M6 Campus – M6 Group's training body – continued to expand its range and to be a key partner in developing the skills of Group employees in compliance with the French Quality Decree (certification of training organisations) and its referencing in DATA DOCK (in 2017). Via M6 Campus, M6 Group develops custom training in lines with developments in our professions by being very agile in terms of the length and effectiveness of the training.

In this way, M6 Campus organised 502 training initiatives in 2019 by providing training related to Management, Group Culture, Positions and Personal Development. M6 Campus further enhanced its range of tailored training, intended for both managers and employees, in 2019.

Supporting managers was once again a strategic priority in 2019, with 329 training initiatives conducted via three levels of so-called "initial" training (*Management - The Recipe !*, *The Keys to Management* and *Managing Managers*) and Manager Workshops by M6 Campus.

As part of the Manager Workshops By M6 Campus, the range has grown with a new workshop, "Remote Manager", in order to provide our managers with solutions as part of the introduction of homeworking in particular. Since their launch in November 2018, the workshops have been a genuine success with managers. M6 Campus today offers twelve agile workshops, ranging from 4 to 7 hours, completely open to self-enrolment via our Enterprise Social Network.

These topical workshops, lasting one morning per topic per group of 6 managers, are intended to support managers in their day-to-day role with subjects such as "Overseeing", "Leading Change", "Supporting / Training", "Communicating" and "Managing in Open Space".

Certain manager workshops are being rolled out to all our employees – in this way the "Optimising your Time" and "Learning from your Emotions" workshops were developed to ensure that each Group employee could have access to these training sessions.

10th Challenge: Promoting diversity and gender parity within the company

Persuaded that its programmes must reflect the diversity of our society, M6 Group considers it essential that this plurality is first seen in the composition of its teams and the variety of candidates recruited. M6 Group is also particularly committed to the employment of people with disabilities.

PRIORITY INDICATOR: NUMBER OF WORKERS WITH DISABILITIES

	2018	2019
Number of workers with disabilities	26	28
<i>Temporary / Permanent workforce at 31 December 2019 excluding Ventadis</i>		

A. Committed to the integration of workers with disabilities

M6 Group has been committed to supporting people from a diverse range of backgrounds as much in the choice of the programmes it broadcasts as in the employment policy that it has implemented.

In 2007, the Group created its Disability Team in order to promote the recruitment, integration and retention in employment of people with disabilities.

In 2017, to mark ten years of the Disability Team, in order to strengthen this commitment and provide it with greater resources, the Group signed its first Disability Agreement for a three-year term, covering 2017-2019.

The areas of commitment are focused on five key strands: recruitment, retention in employment, training, raising awareness and use of the protected and sheltered sector.

As such, in 2019, the Group recruited eight people with disabilities which takes the number recruited to 28 over the duration of the disability agreement (2017-2019).

Several initiatives were run in 2019 to raise employee awareness:

- For the thirteenth consecutive year, the Group mobilised its employees for the disability employment week which took place between 18 and 22 November 2019. Activities during the week included workshops for staff to raise awareness of the various forms of disability, and daily newsletters were sent to employees throughout the week via the intranet or by email.

- For the first time in 2019, M6 Group took part in the “Duo Day” initiative, organised throughout France at the instigation of Sophie Cluzel, Secretary of State responsible for People with Disabilities. In total, more than twenty duos were formed on Thursday 16 May 2019:

- On M6 Group’s TV and radio stations, enabling “trainees” to create a report in “#RTLMatin”, “Le Double Espresso” (RTL2) or during the “19’45” (M6),

- In M6 Group’s various departments, enabling them to discover the world of the M6 Foundation, the sales house, the Production Department... with their counterpart. It should also be noted that Nicolas de Tavernost, Chairman of the Executive Board of M6 Group, also took part in “Duo Day” by welcoming Damien, who has a disability, to an advertiser lunch followed by a Distributors Committee meeting.

- An in-house cookery challenge, “Handicook”, in partnership with the ESAT Berthier initiative, which helps support the integration of people with disabilities into the mainstream labour market, was held for employees during the week of 7 to 11 October. Three teams, made up of four M6 Group employees and coached by an ESAT worker with a disability, went head to head from Monday to Thursday as they prepared a cold dish made using seasonal produce. At the end of each qualifying session, one team was chosen by the jury to go through to the grand final. During the in-house grand final, the four winning teams met up on the set of “Top Chef”. Over the course of two hours, the teams prepared several dishes chosen by the jury, before presenting their different creations. Each member of the winning team won lunch at the ESAT Berthier.

Furthermore, M6 Group is a responsible corporate citizen and regularly places orders with the sheltered employment organisation ESAT for everyday services, such as delivering ready-meals, digitalising programmes in order to archive them, and broadcasting the programme “*Kid et toi*” in French sign language.

B. Committed to gender equality

The Group is committed to its gender-equality action plan guaranteeing equal treatment of men and women.

In the light of this commitment, all the Group’s operational HR department have been trained in non-discriminatory job interview techniques since 2012.

	2018	2019
% of women in total workforce	51%	51%
% of women recruited on permanent contract	54%	47%
% of female executives	52%	52%
% of female managers	nc	43%
% of female executives	28%	26%
% of female Management Committee members	23%	22%
% of women who received training	53%	49%

To further strengthen the Group’s commitments to equality between men and women, the Group concluded several collective agreements on gender equality and introduced action plans in all subsidiaries.

The Métropole Télévision union of companies renewed its commitments by signing an agreement relating to professional gender equality on 2 December 2019, for a term of three years from its signature. In parallel, negotiations are ongoing with the aim of concluding an identical agreement applicable to the M6 Pub union of companies as well as in the Group subsidiaries concerned.

In addition, M6 Group, seeking to improve its commitment to combating discrimination, sexual harassment and sexist conduct, also signed the “Promoting Women in the Media” Charter on 13 March 2019 alongside major players in the audiovisual sector, and appointed sexual harassment and sexist conduct officers who completed dedicated and specific training courses in order to be able to perform their duties in full.

In this way, to ensure equality and better representation of women on its channels, M6 Group has implemented, through its agreements and its various initiatives, a proactive policy of respect and promotion of professional gender equality, which helped

it to achieve very good scores in the first two published indexes of gender equality, scoring 88/100 for the Métropole Télévision Economic and Social Unit and 91/100 for the M6 Publicité Economic and Social Unit.

WORK/LIFE BALANCE

Management renewed the protection process for pregnant women, in particular by organising interviews with the HR Department and the employee's manager, subject to the employee's agreement, in the month before their maternity leave is due to begin and during the month before their return to work. It has been decided to facilitate the relationship with the employee during the period of maternity leave, enabling her to keep up to date with Group activities by providing her with online access to internal communications.

Moreover, Management has made a commitment as part of the structure of working hours, to promote respect for personal life, for example with meetings to be set for times during working hours, flexible working time to match school term, etc. An innovative step has also been taken to extend the parental leave period to incorporate part time working for a maximum of 80% of working hours until the child is six years old.

Lastly, the introduction of a home working agreement within most of the Group's legal entities helps employees restrict their travel, encouraging professional fulfilment.

6.3 ENVIRONMENTAL RESPONSIBILITY

The Métropole Télévision Group does not carry out activities that structurally present a significant impact on the environment, particularly on climate change. The Group is nevertheless mindful that preserving natural resources is a key challenge for the 21st century, and is therefore involved in safeguarding the environment at its own level.

The Group pays attention to, on the one hand, its own consumption (energy, water, paper, waste, transport, etc.), in order to reduce the overall footprint of its operations. As well as a strong desire on the part of management, levers for internal action require the involvement of employees, who are regularly informed, via several mediums (intranet, emails, screens, etc.), of the policies implemented within the business. Moreover, an eco-responsible committee was created in 2019 to develop new initiatives. Piloted by the internal communication department, several times a year it brings together employees from different businesses and buildings.

Secondly, the Group seeks take to adopt initiatives to raise public awareness of sustainable development issues, thanks to the frequent mobilisation of its TV and Radio stations.

M6 Group has made no provisions or subscribed to any guarantees for environmental risks.

11th Challenge: Controlling and reducing energy consumption

The Group strives daily to reduce its impact on the environment in all areas of the company: the energy consumption of the buildings, water, waste, travel, vehicle fleet, paper, etc. The Group has therefore adopted a largely pragmatic approach with an adjustment of the requirements each year on the main environmental indicators.

A decision was taken to highlight and more closely monitor electricity consumption, the most symbolic indicator of the Group’s environmental footprint. This has proved to be relevant in relation to its activity, which primarily takes place in buildings that are owned or leased and through the use of electronic equipment.

PRIORITY INDICATOR: CHANGE IN ELECTRICITY CONSUMPTION

	2018	2019
Electricity consumption	13,995 MWH	13,885 MWH

A. Reducing emissions of greenhouse gasses

As part of its ongoing efforts to counter climate change, M6 Group has identified the following significant sources of greenhouse gases:

- emissions from energy consumption in Group facilities (scope 1);
- emissions from the Group’s vehicles (scope 1);
- emissions from electricity consumption (scope 2);
- indirect emissions from products and services purchased by the Group (scope 3);
- emissions related to business travel by personnel (excluding its fleet of vehicles) (scope 3);
- emissions generated by commuting to and from work (scope 3);
- emissions from electricity used by the television sets of viewers of Group channels (scope 3).

None of M6 Group’s sites is subject to the EU Directive on greenhouse gas emission allowances. However, the CO₂ emissions caused by the energy consumption of the Neuilly building, which is owned and rented out by the Group, and of Rungis, Lille, Paris, Lyon and Boulogne-Billancourt, as well as the business and commuter travel of employees, are all monitored annually as part of the environmental impact. The assessment of these emissions over the last three years is presented below.

The Group has a policy aimed at reducing carbon emissions from its vehicles.

Moreover, where data are not available, it cannot track the GHG emissions related to procurement of products and services. Nevertheless, M6 Group is pursuing a policy that aims to develop sustainable and balanced relations with its suppliers and sub-contractors: for all of its purchases, M6 follows an approach that aims to take into account not only economic factors but also social, corporate and environmental factors. The Legal Department works to ensure that suppliers comply with all provisions relating to intellectual property, press and publicity rights, that they pay due attention to ethical aspects and are committed to meeting safety and security requirements.

The Group cannot measure the emissions from electricity used by the television sets of viewers of its channels; nonetheless we support technical initiatives, such as automatically switching off the sets when left unattended for a period of time.

B. Limiting the energy consumption of the Group's premises

Group initiatives related to saving energy

The consumption of water, raw material and energy resources is monitored and controlled by the Group's General Services, as part of an approach aimed at reducing consumption and using equipment to improve energy efficiency.

A complete modern management system has been installed to deal with energy consumption, enabling the temperature and lighting of premises to be regulated according to a number of criteria, such as for example their occupancy rate. This centralised technical management of energy is intended to provide better control by the Group of its consumption. In addition, the Neuilly buildings are all equipped with air/water heat pumps which use free air energy to provide heating and hot water as well as to cool the technical rooms. Furthermore, centralised technical management has also been introduced to turn off or reduce the functioning of electrical installations outside working hours in Rungis. The Group also complies with the government circular of 5 June 2013 requiring exterior building lights to be switched off between 1a.m. and 7a.m. Personal computers are also automatically switched off at night.

With a view to continually improving the efficiency of its electronic equipment, the Group, through the intermediary of the Information Systems Department, implemented a project to renew its IT infrastructures. The new equipment saves a significant amount of space with the removal of very bulky disk arrays. They also use far less energy notably thanks to the use of flash storage rather than the previously used mechanical hard disks.

Mindful of adapting to the latest legislative developments in relation to environmental safety, M6 Group keeps an up to date record of audits to be carried out in this field. The December 2015 COP21 also was the opportunity to initiate a review on the improvement of the energy performance of the three buildings owned by the Group in Neuilly, beginning with an energy audit of these three sites under the NF EN 16247-2 standard, which was entrusted to an independent research unit. This audit satisfies the requirements of Decree n° 2014-1393 of 24 November 2014 which compels businesses to carry out such a review.

The findings of these audits were analysed in 2016 to initiate measures aimed at limiting the energy consumption of these buildings and consequently their greenhouse gas emissions. The halogen light bulbs in three buildings have been replaced by LEDs, for example. In addition, as part of the workstation refurbishment work carried out in 2017, 2018 and 2019, whether in the buildings that the Group owned or leased, latest generation lighting piloted by GTC and with brightness indicators, were installed. Work at head office (89 avenue Charles de Gaulle) also included the modernisation of the air-conditioning system on the floors concerned with the installation of more energy-efficient, variable-speed convector fans.

In addition, pursuant to Article R224-59-1 of the French Environmental Code, M6 Group carries out regular audits of certain air conditioning systems, with the latest checks finding no anomalies.

Lastly, in 2019, the Group signed new electricity supply contracts. From 1 January 2020, all the contracts for the Neuilly buildings are "Green Electricity" certified.

ENVIRONMENTAL MANAGEMENT OF BUILDINGS: 107 AVENUE CHARLES DE GAULLE BUILDING IN NEUILLY

Construction of the office building at 107 Avenue Charles de Gaulle has been subject to a HQE (High Environmental Quality) process aimed at user comfort and quality of life as well as respecting the environment.

In this way, the operation obtained HQE certification in 2012 for the Design and Programme phase: equipment and materials have therefore been chosen for increasing the comfort of people and to reduce the environmental footprint of the building.

The building was subsequently awarded the THPE (*Très Haute Performance Énergétique*) label for the Construction phase. The many enhancements put in place have earned the building a *Passeport Bâtiment Durable* (Sustainable Building Passport) with a rating of "Excellent".

For example, M6 has elected to improve energy consumption and support the environment including:

- widespread use of low-energy light bulbs,
- installation of motion sensors in lavatories, lifts, etc.,
- creation of green terraces encouraging biodiversity.

CHANGES IN THE GROUP'S ENERGY CONSUMPTION

Usage is monitored in all areas on a very regular basis. Water and energy consumption and CO₂ emissions of the Neuilly buildings – owned or rented by M6 Group – and the Rungis, Boissy, Paris, Lyon, Boulogne-Billancourt and Lille buildings were as follows in 2019:

Direct and indirect emissions of scopes 1 and 2:	2017*	2018	2019
Water (in thousands of m ³)	25.545	27.762	26.235
Gas (in MWh)	1,434	1,534	1,675
Electricity (in MWh)	12,107	13,995	13,885
Fuel purchasing (in litres)	2,030	1,660	1,850
CO ₂ emissions** (in tCO ₂ eq - tonnes of CO ₂ equivalent)	1,316	613	565

* Excluding the Radio division, integrated into the reporting scope in 2018

** Related to the direct and indirect consumption of energy

M6 Group's key environmental indicator, i.e. electricity consumption, recorded a 1% reduction in 2019, reflecting the effects of the energy policy introduced by the Group. Its effectiveness is illustrated by, for example, a fall of 14% in Boissy where lighting using LED bulbs and a heat pump have been installed.

Gas consumption grew 9%, in line with the full-year effect of the occupation of the building at 3 Villa Émile Bergerat à Neuilly by the Radio division teams.

Fuel buying also rose in 2019 due to the preventive maintenance of the electrical system of the building at 89 avenue Charles de Gaulle, which required the use of a fuel powered back-up system. This fuel consumption nevertheless remained very limited in absolute terms and returned to a level that was lower than that recorded in 2017.

Within this context, CO₂ emissions increased a little, up 4% in 2019.

Lastly, the Group managed to reduce its water consumption by 6% in 2019, thereby reaping the rewards of its ongoing policy to raise employee awareness about preserving resources.

C. Limiting waste and promoting recycling

In addition to its drive to control energy consumption, M6 Group is especially committed to promoting the circular economy, and is keen to encourage the conservative and responsible use of natural resources via the prevention of waste, and through the reuse of products and their recycling.

WASTE MANAGEMENT

In order to limit its production of waste, in 2019 the Group decided to remove disposable plastics from its rest and eating areas. As such, drinks are now only sold in glass bottles or tetrapak packaging. Plastic cutlery was taken away and plastic cups were replaced with cups made from biodegradable cardboard. To encourage employees to use mugs, a preferential price was introduced for coffees. The eco-responsible committee has even decided to test the removal of cups from the building at 107 avenue Charles de Gaulle. If successful, this trial could be extended to all Group buildings in 2020.

Moreover, as the Group's on-site food service is outsourced, the service providers take responsibility for policies to prevent food waste.

	2017*	2018	2019
Paper and cardboard waste (in tonnes collected in bins)	92	144	144
Ordinary industrial waste, including food waste (in tonnes as collected in the rubbish bins, glass included)	138	206	143

* Excluding the Radio division, integrated into the reporting scope in 2018

Despite the full-year effect of the integration of the radio employees, M6 Group succeeded in containing its production of paper and cardboard waste in 2019 thanks to its measures to limit printing.

There was a significant reduction in industrial waste, returning to a more normal level after 2018, which was marked by significant movements of employees. The cleaning days that precede relocations lead to significant waste generation. Moreover, unlike 2018, no work took place at the Rungis site in 2019.

PAPER MANAGEMENT

In a business like M6 Group's, paper is the main raw material used. As part of its attempts to promote the circular economy and to make its employees aware of the need to change their working methods, in recent years the Group has taken significant measures to optimise the use of paper internally:

- Introduction several years ago of multi-function copiers, replacing individual printers, helping to make printing on both sides systematic and requiring swiping to launch printing: paper consumption fell another 8% at Neuilly in 2019 and 17% at the Ventadis sites (Rungis and Boissy).
- Widespread roll-out in 2019 of the exclusive use of recycled and recyclable paper in the multifunction copiers.
- Introduction of a system of colour printing quotas in order to reduce the use of ink cartridges and to tacitly encourage teams at the Neuilly sites to reduce their paper use.

- As of 1 January 2017, and in accordance with the Labour Law, all employees (permanent, event contract workers and trainees) have been receiving a monthly electronic pay slip in their secure individual electronic account.
- For press subscriptions, gradual move from physical to digital versions.
- Digital contract storage, electronic signature of employment contracts for event contract workers and a digital process for invoice approval were also introduced. Continuing the drive to eliminate paper, the Group's teams also gradually introduced electronic signature of commercial contracts.
- Since 2012, M6 Publicité has given its customers and media agencies the option of receiving their invoices in electronic format. In 2019, 34 agencies had opted to go paperless, representing 18,478 invoices out of a total of 23,081, meaning a volume of 80%, a marked increase compared with 2018. The Group's sales house estimates it will be able to near 100% in 2021.

RECYCLING

In parallel with this desire to control utilities (water, energy, etc.) and reduce paper consumption, M6 Group also has an active policy of recycling waste arising from its operations (batteries, neon lights, IT hardware, toner cartridges, fluorescent bulbs, refrigerating machine oil, etc.). For example, this approach has resulted since 2016 in no more new tapes being purchased for programmes. The Group no longer orders any new tapes and now uses recycled materials that it sources from the disability employment association, ANRH, an employer of the disabled in the sheltered sector.

In 2016, the Group changed its waste sorting system in the Neuilly buildings. Individual bins were replaced with triple recycling bins placed in hallways and circulation areas. Recyclable waste is sorted from non-recyclables and batteries. The waste is collected every day by our cleaning provider and then picked up by a waste sorting and recycling company.

In addition, as part of the recycling of Electrical and Electronic Waste (WEEE or W3E), the Ventadis (distance selling) division collected from its customers a contribution over and above the price of devices with electrical or electronic components. This eco-contribution, which is passed on in full to suppliers, is intended to finance the recycling of old appliances by specialised bodies. In 2019, the amount collected by Ventadis amounted to €0.3 million, a slight increase on 2018.

D. Limiting the environmental impact of business travel

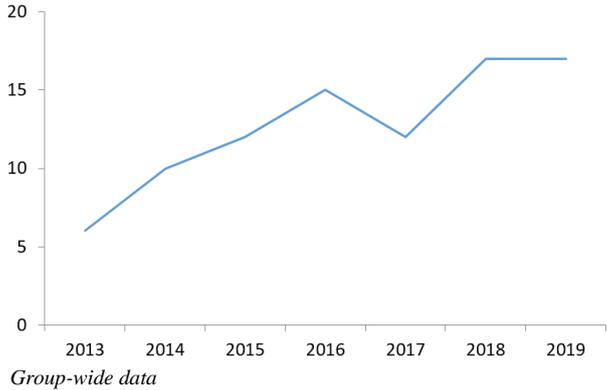
As early as 1997, M6 Group took the decision to establish its headquarters close to public transport, both for the convenience of its employees and to reduce commuting time. Today, the majority of the Group's employees are still based at the site opposite the Line 1 Sablons Métro station in Neuilly-sur-Seine. At 31 December 2019, 1,045 employees, or 49% of the Group's workforce, used public transport for their daily commute.

As part of the new company agreement coming into force, in June 2019 the Group introduced a home working solution for employees whose role allowed it. In total, 4,573 home-working days were used in 2019, thereby leading to a reduction, all other things being equal, in commuting and the related CO₂ emissions. In order to reduce its environmental impact, in December 2019 the Group also subscribed to a car sharing solution, via the app Klaxit. More than 500 journeys have already been completed by employees using car sharing, representing more than 9,500km travelled and 800kg CO₂ emissions saved. It has also installed charging points in the car parks beside its buildings, in order to encourage employees to use electric vehicles.

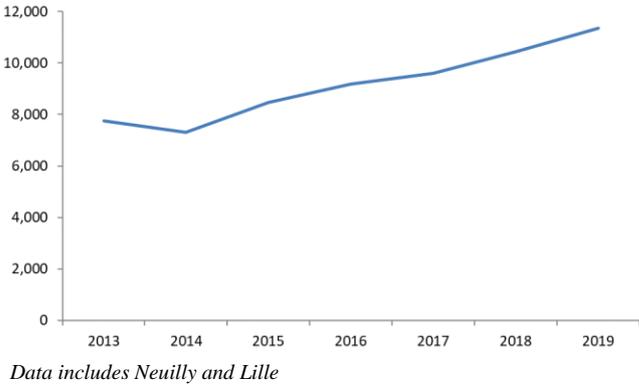
In addition, M6 Group has deliberately chosen a digital route in order to cut down on the number of business trips, even though reducing travel can be difficult for some activities (particularly reporting and production). As a result, the number of rooms equipped with video-conferencing facilities at Group sites has increased from 4 to 17 in the space of eight years.

Following a reduction between 2013 and 2014, the amount of business travel started to rise again in 2015, 2016 and 2017 due to the acquisition of Oxygem (now called M6 Digital Services), based in Lille, followed by the entry into the scope of iGraal, certain reports filmed in remote locations by C Productions and the development of M6 Digital Services' activities. In 2018, this growth continued, with the purchase of the Radio division, whose move to Neuilly was completed at the end of the first quarter. In addition to the automatic growth related to the number of additional employees (approximately 500), it was also due to the activity of the RTL radio station, which includes news - an essential element of its programme schedule that requires extensive travel by journalists to be as close to the news as possible. With the full-year effect of the integration of the journalists, the category of employees that consequently travels more, the amount of business travel once again increased in 2019.

Number of rooms equipped for video-conferencing:

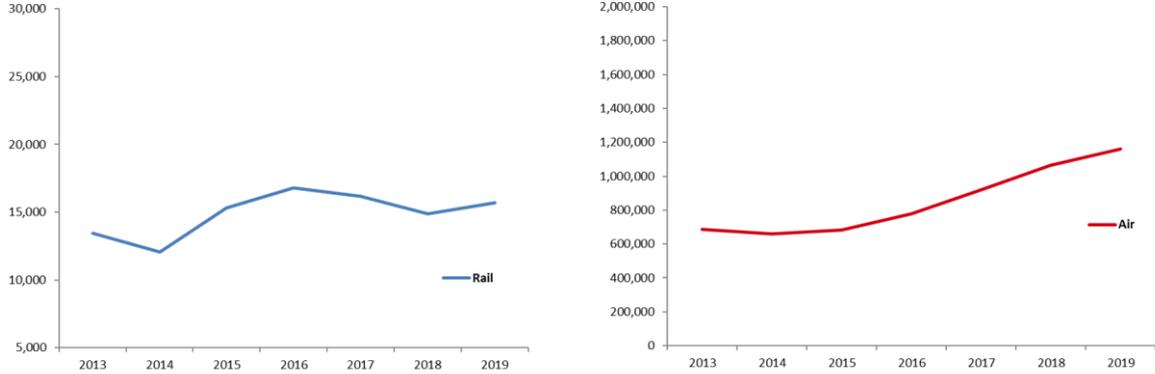


Number of business trips:



The volume of CO₂ released in 2019 rose in relation to air and rail travel as a result of the higher number of trips, which as explained above, was due to the full-year integration of the Radio division.

CO₂ emissions (kg) for business travel (scope 3):



Data based on consumption at sites in Neuilly-sur-Seine and Lille (2017 and previously: excluding Radio division)

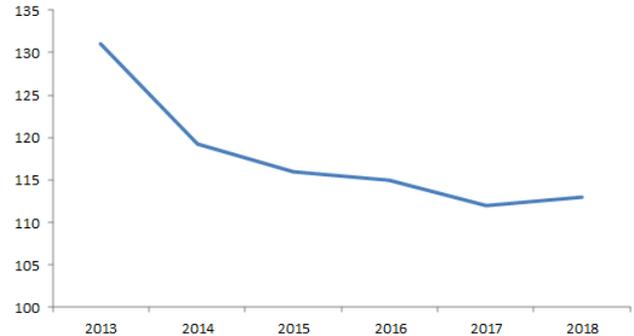
Finally, M6 Group follows a very stringent policy with regard to the CO₂ emissions of its management/company vehicle fleet. After setting a maximum limit in 2014 of 130g per km for each new vehicle, the Group decided to go further in 2019, now by only offering its eligible employees hybrid or electric models. Three cars, including one electric model, were already delivered in 2019 and three others will be in 2020.

As far as its fleet of production vehicles is concerned, the Group has set itself the target of giving up diesel and at a minimum, moving to petrol. Two electric vehicles have also been made available to the technical teams and to journalists.

Within this context, average vehicle emissions have decreased over the last six years from 131 to 109 grams per kilometre. This trend continued in 2019, with a fall of 4 grams in relation to 2018.

It is also worth pointing out that all company vehicles are dry-cleaned by the service provider responsible.

Average emissions of the vehicle fleet (in g/km) (scope 1):



Data based on expenditure overseen by sites located in Neuilly

12th Challenge: Raising public awareness of environmental issues

The responsibility of a group producing and broadcasting content is also based on its desire to make the general public aware of the challenges of sustainable development.

PRIORITY INDICATOR: NUMBER OF ITEMS ON THE TELEVISION NEWS DEVOTED TO THE ENVIRONMENT

	2018	2019
Number of items on the television news devoted to the environment	378	601

The environment and the latest developments in the area are also regularly featured (601 items in 2019, compared with 378 in 2018, representing 15h44min in 2019 vs 8 h 25 the previous year) in the news bulletins (*Le 12.45* and *Le 19'45*): fire at the Lubrizol factory in Rouen, COP25, pollution, climate change, recycling, etc.

News bulletins also regularly bring to the fore unusual stories or innovations relating to ecology: “Advertising tarpaulins transformed into carrier bags”, “Recycling hair for the environment”, “Underwear buried to study soil quality”, “A boat built from flip-flops to help fight plastic pollution”, etc.

M6 also decided to play an educational role via high quality documentaries presenting the current ecological issues. These magazines have become flagships for the channel and thus represent a major audience attraction for these subjects among an increasingly broad audience.

As such, C Productions, the internal company which produces news magazines and documentaries, has produced several items on ecology and sustainable development for M6, including, as part of *Capital* and *Zone Interdite*, “Waste sorting – a huge waste? ”, “A safer and more breathable city – driving out the cars, at what cost?” and “Showerheads: top products to reduce your consumption”.

The programme Turbo also covered several topics related to the environment, such as testing a hydrogen-powered vehicle, and an investigation into internal combustion and electric cars.

Reality competition show *Top Chef* also seized the opportunity to promote good food practices, reducing waste and the benefits of cooking with fresh, organic products.

Studio 89, the Group subsidiary that produces *Top Chef*, partnered with the French Red Cross to redistribute the food used during the show. Once or twice a week during shooting, volunteers gather up the 50-100 kg of dry goods (bread, oil, spices etc.), perishables (fruit, vegetables, milk) and fresh foods with a very short shelf life (meat and fish) for redistribution at 4 food banks in the district. 6.9 tonnes of food were donated to 8,000 disadvantaged people during season 11, which will be aired in 2020.

Moreover, the documentary maker Yann Arthus-Bertrand, chairman of the GoodPlanet Foundation and author of the best-seller *Earth from Above* can be heard on RTL every Sunday at 7.15pm discussing the environmental challenges that are ahead of us in order to preserve our planet and its inhabitants.

In order to take account of noise pollution that may be caused by its activities, M6 Group pays particular attention to the comfort of viewers and complies with the provisions of Decree No. 92-280 of 27 March 1992, which notably made it compulsory for TV channels to make the sound levels of programmes consistent with those of advertising breaks.

The Group ensures that all its programming portrays a positive image of rural life in which respect for the environment is evident, particularly in the series *L'Amour est dans le Pré*.

Moreover, the Group implements an active policy of raising awareness amongst its own staff of sustainable development issues:

- Discussions between employees on the corporate social network are encouraged. In this way, issue-based blogs have been created: “*Objective (Almost) Zero Waste*”, “*The Environment and Sustainable Development*”, etc. They represent discussion forums where best practices and tips on reducing your carbon footprint can be discussed.
- A collaborative vegetable plot covering 200m² was designed in May 2019 in the garden of the building at 46 rue Jacques Dulud in Neuilly. With the help of the start-up *Ciel mon Radis*, it teaches employees about organic farming and the concepts of short supply chains and seasonal fruit and vegetables.
- Three beehives were installed on the roof of the building at 46 rue Jacques Dulud. This initiative is intended to increase employee awareness of the challenges of protecting endangered species that are particularly important for our environment.

6.4 METHODOLOGY NOTE REGARDING NON-FINANCIAL REPORTING

FRAMEWORK

The reporting of non-financial indicators is based on national and international guidelines. Corporate, social and environmental indicators refer to the provisions of Article L.225-102-1 of the French Commercial Code relating to the environmental information included in the management report of companies.

M6 Group has also referred to GRI (Global Reporting Initiative) guidelines as well as the principles set out in the *United Nations' Global Compact* for the implementation of its non-financial reporting and communication.

INDICATORS

The indicators presented in this section have been subject to verification by the firm KPMG as required by legislation, including detailed tests on the most relevant indicators. Particular emphasis has been placed on the social and corporate indicators related to the Group's strategic challenges.

REPORTING SCOPE

The reporting scope has been set in accordance with the provisions of Articles L 233-16 of the French Commercial Code and covers subsidiaries and controlled companies.

Certain indicators relate to specific scopes excluding certain entities; in that case the scope to be considered is specified beside the information.

ENVIRONMENTAL INFORMATION

The scope of environmental information includes:

- Neuilly-sur-Seine, which corresponds to the total consumption of the buildings at 89, 107 and 56 avenue Charles de Gaulle, 3 Villa Émile Bergerat, 46 rue Jacques Dulud, and the exclusive electricity consumption of the premises occupied at 114 avenue Charles de Gaulle.

In terms of activities, the Neuilly-sur-Seine site includes all the Group's TV and Radio broadcasting activities except the regional offices of the national news office, as well as the following diversification activities: M6 Interactions, M6 Créations and the Production & Audiovisual Rights division;

- Rungis, which includes the main production activities of Ventadis;
- Lille, which corresponds to the premises occupied by M6 Digital Services (portals and B2B technology services);
- Lyon, which houses the information development teams of the 6play platform;
- Paris, which houses the employees of Golden Network, specialised in the production of digital content for Millennials;
- Boissy, where the Best of TV teams are located;
- Boulogne-Billancourt, iGraal's head office.

Acquired at the start of the last four months of 2019 (1 September), the Youth TV division (formerly Lagardère TV division), comprised notably of the channels Gulli, Tiji, Canal J and MCM, is excluded from the environmental reporting scope. It will be included for the 2020 report.

All indicators used do not cover the entire scope, as specified hereafter. Nevertheless, they do all cover the main Neuilly site, whose buildings house the teams of the companies that generate 85% of the Group's consolidated revenue and more than 90% of its profit from recurring operations.

In the absence of data available for Paris, Lyon and Lille, water consumption only therefore includes the contributions of the Neuilly, Rungis, Boissy and Boulogne sites.

In addition, the sites to which waste monitoring and paper purchasing relate are Neuilly and Rungis (and Boissy for paper).

Lastly, for all other indicators the locations are specifically mentioned.

CORPORATE INFORMATION

The social reporting scope is based on the financial consolidation scope.

As an exception, data concerning absenteeism and training does not include the subsidiaries Jeunesse TV (6 permanent positions), Jeunesse Thématiques (101), Ctzar (19), and Sociaddict (3), which are not included in M6 Group's centralised pay systems.

It should be noted that reporting includes changes in scope, as a result of the acquisitions made between 1 January and 31 December 2017: 2019 data will be integrated in full during 2020 reporting unless the incoming entity can collect all the data prorata temporis. However, calculation of the workforce of subsidiaries entering the scope is integrated into the 2019 scope for the purposes of reporting corporate data.

No acquisition or disposal to be treated on a prorata temporis basis for the purposes of this social information took place in 2019.

REPORTING PERIOD

Corporate, social and environmental data is reported annually and relates to the period from 1 January to 31 December 2019.

METHODOLOGICAL CLARIFICATION AND LIMITS

The methodologies used for certain corporate, environmental and social indicators may present limitations due to changes in definition that may affect their comparability, changes in the scope of activities from one year to the next, as well as changes in the way in which this information is collected and input.

FURTHER CLARIFICATION REGARDING ENVIRONMENTAL INDICATORS:

To facilitate internal accounting related to invoicing electricity use, the consumption recorded for a given month corresponds to the actual consumption for the previous month.

The CO₂ emissions contained in Part 6.3.1 (11th Challenge - section B) are direct greenhouse gas emissions related to the use of electricity, natural gas and heating oil in the Group's premises in Neuilly, Rungis, Paris, Lyon, Boissy, Lille and Boulogne. The emission factors used for CO₂ emissions related to electricity consumption are those provided by EDF.

The emission factor used for the CO₂ emissions reported and related to business travel by train, included in section 6.3. (11th Challenge - section D) of this report, is supplied by SNCF. The emission factor used for the CO₂ emissions reported related to business travel by plane is provided by the supplier responsible for the handling of business travel (Neuilly).

Moreover, this document refers to the environmental indicators to which particular attention was paid and which are relevant to the Group. The following additional indicators are less or are not relevant to its activity:

- resources committed to preventing environmental risk and pollution (the environmental impact of M6's activities is not structurally significant),
- the prevention, reduction or remediation of air, water or soil emissions having a major adverse impact on the environment ((the environmental impact of M6's activities is not structurally significant),
- adapting to the consequences of climate change (natural risks related to climate change have, to date, not led to any significant interruption of activities or material damage to buildings or products),
- land use (M6 Group's activity and its land use does not to its knowledge cause any significant threat to either diversity or to water resources since the use of land is limited to the place in which its office buildings and warehouses are located).

FURTHER CLARIFICATION REGARDING SOCIAL INDICATORS:

The hours of training included relate to training provided by M6 Campus as well as any accredited external training organisations. The individual training account hours completed during working time and the e-learning hours are included in 2019. Training started in the 2019 financial year and completed in January 2020 is included in the reported training hours pro rate of the hours completed in 2019. This indicator only relates to permanent employees.

Days of absence recognised correspond to all absences of permanent Group employees which began during the financial year, thereby including absences in 2020. Days of absence recorded correspond to the days prescribed for all work stoppages recorded over the course of the 2019 financial year. Days of absence in 2019 corresponding to absences which began during the course of the previous financial year are therefore not taken into account. Similarly, an extension of absence is assigned a new start date. If the extension commences in the following financial year, these days are not taken into account. It should also be specified that both unpaid days of absence and recovery days do not count when calculating absenteeism.

Turnover is defined according to the following ratio: all exits (excluding internal mobility) during year N, divided by the permanent workforce employed at 31 December of year N-1.

As an exception, data concerning the turnover of Jeunesse TV, Jeunesse Thématiques, Ctzar (11 permanent employees at 31 December 2018) and Sociaddict (4) are excluded from the scope. These subsidiaries are not included in M6 group's centralised pay systems. Jeunesse TV and Jeunesse Thématiques were not, moreover, owned by M6 Group at 31 December 2018.

FURTHER CLARIFICATION REGARDING SOCIAL INDICATORS:

Moreover, this document refers to the societal indicators to which particular attention was paid and which are relevant to the Group. The following other indicators are less relevant to its activity:

- measures taken to combat tax evasion,
- measures taken to safeguard human rights,
- measures taken to avoid corruption.

Nevertheless, the main measure taken by M6 in relation to these issues involves raising public awareness through its programmes, as detailed in Section 6.1.6.D of this Document.

REPORTING TOOLS, CONSOLIDATION AND CONTROL

Collection tools, developed by the Group's IT Department, allow all consolidated and verified data to be reported at different levels:

For corporate data, collection is made by a dedicated tool, developed by the Group's IT Department, and automatic consistency checks are made by the IT tool during data input. Other controls and validation are performed by M6 Group's Human Resources Department. Lastly, a general control ensures the overall consistency of the flows of staff between the year N-1 and the year N;

For social data, information is collected by the Group's Corporate Affairs and the Financial Communication Department, due in particular to the social information required by the CSA in relation to television;

For environmental data, collection is made by the Group's Corporate Services, and an internal consistency check is made by the person responsible for the input of information. A further check is made during consolidation.

Lastly, the Financial Communication Department collates the data and performs consistency checks.

6.5 CSR CROSS-REFERENCE TABLE

Themes		Sub-Themes	Degree of relevance	Reference	GRI Reference	Global Compact
Labour information						
Employment	1	Total workforce and employee distribution by gender and geographic region	++	6.2.8.A	G4-10	# 3 to 8
	2	Recruitment and redundancies	++	6.2.8.A	G4- LA1	
	3	Compensation	+	6.2.8.C	G4- LA13	
Work organisation	4	Organisation of working time	++	6.2.8.B	G4- LA	
	5	Absenteeism	+	6.2.8.B		
Labour relations	6	The organisation of social dialogue - including regulation and procedures regarding information, consultation and negotiation with personnel	+	6.2.8.D	G4- LA4	
	7	Collective bargaining agreements	=	6.2.8.D	G4- LA4	
Health and safety	8	Health and safety at work	+	6.2.8.E	G4- LA6 to 8	
	9	Work accidents, particularly their frequency and seriousness, and occupational diseases	+	6.2.8.E	G4- LA6	
	10	Agreements signed with unions or employee representatives in terms of health and safety at work	=	6.2.8.D	G4- LA8	
Training	11	Training policies implemented	++	6.2.9	LA11	
	12	Total number of training hours	++	6.2.9	LA10	
Equal opportunity	13	Measures taken to promote gender equality	++	6.2.10.B	G4- LA10	
	14	Measures taken to promote the employment and integration of disabled employees	++	6.2.10.A/6.1.2	G4- LA12	
	15	Anti-discrimination policy	++	6.1.3	G4- LA12, G4-HR3	
Promotion of and compliance with ILO fundamental conventions	16	Relating to freedom of association and the right to collective bargaining	=	6.2.8.D	G4-HR4; G4-LA4	
	17	Relating to the elimination of employment and occupational discrimination	=	6.2.10/6.1.2	G4-HR3; G4-LA13	
	18	Relating to the suppression of forced or compulsory labour	=	N/A	G4-HR6	
	19	Relating to the effective abolition of child labour	=	6.1.7.F	G4-HR5	
Environmental information						
General environmental policy	20	Company organisation to take into account environmental issues and, where applicable, environmental assessment and certification processes	=	6.3		# 9 to 11
	21	Training and employee information actions conducted in relation to environmental protection	=	6.3		
	22	Resources allocated to avoiding environmental risks and pollution	=	6.3	G4-EN31	
	23	Amount of provisions and guarantees for environmental risks, providing this information is not liable to seriously prejudice the company in an ongoing litigation	=	N/A	G4-EN31 and G4-EC2	
Pollution	24	Measures to prevent, reduce or remediate air, water and land emissions that seriously damage the environment	=	N/A	G4-EN22 to 26	
	25	Taking into account noise pollution and, where relevant, all types of pollution specific to a particular activity		6.1.1.C		
Circular economy	26	Measures to reduce, recycle, reuse and other forms of recovery or disposal of waste	+	6.3.11.C	G4-EN23	
	27	Actions to combat food waste	-	6.3.11.C/06/03/2012		
	28	Use and supply of water in line with local constraints	=	6.3.11.B	G4-EN8	
	29	Use of raw materials and measures taken to make more efficient use of them	+	6.3.11.B/6.3.11.C	G4-EN1, G4-EN27	
	30	Energy consumption and measures taken to improve energy efficiency and the use of renewable energy sources	+	6.3.11.B	G4-EN3 to EN7	
Sustainable use of land	31	Use of land	=	06/03/2012		
Climate change	32	Significant greenhouse gas emission generated by the Company's activity, in particular through use of the goods and services that it produces.	+	6.3.11.B	EN16, EN17, EN18, EN19, EN20	
	33	Adaptation to the consequences of climate change	=	N/A	EN18, EC2	
Biodiversity	34	Measures taken to safeguard biodiversity	=	6.3	G4-EN11 to EN14	

Corporate social information						
Territorial, economic and social impact of the Company's operations	35	Territorial impact of operations on employment and regional development in France	=	6.1.6	G4- EC7 and G4- EC8	# 16 to 18 and 21
	36	Impact of operations on the local population	=	6.1.6	G4- EC1, G4-EC 5 and 6	
Relationships with stakeholders	37	Conditions of dialogue with these individuals or organisations	++	6.1.7	G4-24 to 27	# 2 and 16 to 18
	38	Acts of partnership or sponsorship	++	6.1.6		
Subcontractors and suppliers	39	Purchasing policies that take into account social and environmental issues	+	6.1.7.F	G4-EC9, G4-HR4, 5, 6, 8, 10	# 2 to 11
	40	Significance of sub-contracting and its inclusion in relationships with suppliers and subcontractors regarding their corporate, social and environmental responsibilities	+	6.1.7.F	G4-EC9, G4-HR4, 5, 6, 8, 10	
Fair practices	41	Measures taken to avoid corruption	++	6.2.8.H	G4-SO3 to 5	# 12 to 14
	42	Measures taken to safeguard the health and safety of consumers	++	6.2.8.E/06/03/2012	G4-PR1; G4-PR2	
Other measures taken to safeguard human rights	43	Other measures taken to safeguard human rights	=	6.1.6	G4-HR	# 3 to 5

6.6 REPORT BY THE INDEPENDENT THIRD-PARTY BODY ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE

KPMG S.A

Tour EQHO 2 avenue Gambetta
CS 60055 92066 Paris la Défense Cedex
France

Métropole Télévision S.A.

Registered office: 89, avenue Charles de Gaulle - 92575 Neuilly-sur-Seine Cedex
Share capital: €50,565,699.20

Report by the independent third-party body on the consolidated statement of non-financial performance

Financial year ended 31 December 2019

To the Shareholders,

As the independent third-party organisation appointed by your company Métropole Télévision S.A. (hereafter “the Entity”, accredited by COFRAC (French Accreditation Committee) under number 3-1049, we hereby present our report on the consolidated statement of non-financial performance for the financial year ended 31 December 2019 (hereafter the “Statement”) included in the Group’s Management Report pursuant to the provisions of Article L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Corporate responsibility

The Executive Board is responsible for preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in respect of these risks and the results of these policies, including key performance indicators.

The Statement was prepared in application of the Entity’s procedures (hereafter the “Standards”), the significant items of which are presented in the Statement and are available on request from the Entity’s registered office.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and our profession’s code of ethics. In addition, we have introduced a quality control system which includes documented policies and procedures aimed at ensuring compliance with applicable laws and regulations, ethical rules and professional standards.

Responsibility of the independent third-party body

Based on our work, our role is to deliver a reasoned opinion expressing a conclusion with moderate assurance on:

- compliance of the Statement with the provisions referred to in Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in application of section 3° of paragraphs I and II of Article R. 225-105 of the French Commercial Code, i.e. the results of the policies, including the key performance indicators, and the actions, with respect to the main risks, hereafter the “Information”.

Conversely, it is not our responsibility to issue an opinion on compliance by the entity with the other applicable statutory and regulatory provisions, notably in relation to the due diligence plan and to combatting corruption and tax evasion, nor regarding the conformity of the products and services with applicable regulations.

Nature and scope of the audit

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 and subsequent of the French Commercial Code and with the professional standards of the Compagnie Nationale des Commissaires aux Comptes (French National Institute of Auditors) relating to this work, as well as international standard ISAE 3000:

- We have reviewed the activity of all the entities included in the consolidation scope and of exposure to the principal risks;
- We have assessed the appropriateness of the Reporting Criteria with regard to their relevance, comprehensiveness, reliability, neutrality and comprehensible character, by taking into consideration industry best practices where applicable;

- We have verified that the Statement covers all categories of information referred to in paragraph III of Article 225-102-1 in relation to social and environmental information as well as to respect for human rights and combatting corruption and tax evasion;
- We have verified that the Statement presents the information provided for in II of Article R. 225-105 when it is relevant in reference to the principal risks and includes, where applicable, an explanation of the reasons justifying the absence of the information required by the second paragraph of III of Article L. 225-102-1;
- We have verified that the Statement presents the business model and the main risks associated with the business of all entities included in the consolidation scope, including, where relevant and proportionate, the risks created by its business relations, products or services, as well as the policies, due diligence procedures and results, including key performance indicators related to the principal risks;
- We have consulted documentary sources and conducted interviews to:
 - Assess the process to select and validate the principal risks as well as the consistency of the results, including the key performance indicators used, with reference to the principal risks and policies presented;
 - Substantiate the qualitative information (procedures and results) that we considered to be the most important for all risks, our work was conducted at the registered office of the entity.
- We have verified that the Statement covers the consolidated scope, i.e. all entities included in the consolidation scope in accordance with Article L. 233-16 with the limits specified in the Statement;
- We have reviewed the internal auditing and risk management processes implemented by the entity and have assessed the sampling process seeking to ensure that the information is exhaustive and fair;
- For the key performance indicators and the other quantitative results that we considered the most significant, we have implemented:
 - analytical procedures to verify the appropriate consolidation of the collected data as well as the consistency of their changes;
 - detailed tests, based on samples, to verify the appropriate application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out at the Entity's head office level and cover between 83% and 100% of the consolidated data selected for these tests;
- We have assessed the overall consistency of the Statement in light of our knowledge all entities included in the scope of consolidation.

We consider that the work we have carried out in exercising our professional judgement allow us to draw a conclusion of reasonable assurance; a higher level of assurance would have required more extensive verification work.

Means and resources

Our work called on the expertise of three people and was performed between October 2019 and February 2020 for a period of approximately three weeks.

To help us in the completion of our work, we consulted our experts in sustainable development and societal responsibility. We conducted approximately ten interviews with the people responsible for preparing the Statement.

Conclusion

On the basis of our work, we found no significant irregularity that would call into question the fact that the Consolidated Statement of Non-Financial Performance complies with applicable provisions and that the Information, taken in its entirety, is presented in a fair manner in accordance with the Reporting Criteria.

Paris La Défense, 13 February 2020

KPMG S.A.

Anne Garans

Partner

Sustainability Services

Xavier Troupel

Partner

7

COMBINED GENERAL MEETING
OF 28 APRIL 2020



7.1 PROCEEDINGS AND AGENDA

The Combined Annual General Meeting of the Company has been convened for 28 April 2020 and the agenda will be as follows:

PRESENTATION OF THE REPORTS OF THE EXECUTIVE BOARD:

- on the Group's activities during 2019;
- on the resolutions to be presented at the General Meeting;
- on the allocation of performance shares to certain employees and/or corporate officers during the year.

PRESENTATION OF THE SUPERVISORY BOARD'S REPORT ON CORPORATE GOVERNANCE

PRESENTATION OF THE SUPERVISORY BOARD'S OBSERVATIONS TO THE GENERAL MEETING

PRESENTATION OF THE STATUTORY AUDITORS' REPORTS:

- report on the parent company financial statements for the year ended 31 December 2019;
- report on the consolidated financial statements for the year ended 31 December 2019;
- special report on the regulated agreements and commitments covered by Articles L. 225-86 and subsequent of the Commercial Code;
- special report on the authorisation to reduce share capital, as provided for by resolution 26.

VOTE ON RESOLUTIONS

The following resolutions will be submitted for approval by the General Meeting:

Resolutions in ordinary session:

- Approval of the parent company financial statements for the year ended 31 December 2019 - Approval of non-tax-deductible expenses and charges,
- Approval of the consolidated financial statements for the year ended 31 December 2019,
- Allocation of profits and setting of dividend,
- Statutory Auditors' special report on regulated agreements and commitments and approval of these agreements,
- Commitments made in favour of David Larramendy,
- Reappointment of ERNST & YOUNG et Autres as Principal Statutory Auditor,
- Non-reappointment and non-replacement of AUDITEX as Alternate Statutory Auditor,
- Appointment of KPMG to replace PricewaterhouseCoopers Audit as Principal Statutory Auditor,
- Non-reappointment and non-replacement of Jean-Christophe GEORGHIU as Alternate Statutory Auditor,
- Reappointment of Mouna Sephiri as member of the Supervisory Board,
- Reappointment of Elmar Heggen as member of the Supervisory Board,
- Reappointment of Philippe Delusinne as member of the Supervisory Board,
- Ratification of the provisional appointment of Björn Bauer as member of the Supervisory Board,
- Ratification of the provisional appointment of Siska Ghesquiere as member of the Supervisory Board,
- Approval of the information referred to in Section I of Article L.225-37-3 of the French Commercial Code relating to the Company's corporate officers,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Nicolas de Tavernost, Chairman of the Executive Board,
- Approval of the remuneration policy for the Chairman of the Executive Board,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Thomas Valentin in relation to his term of office as Member of the Executive Board,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Jérôme Lefébure in relation to his term of office as member of the Executive Board,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to David Larramendy in relation to his term of office as member of the Executive Board,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Christopher Baldelli, in relation to his term of office as member of the Executive Board until 1 July 2019,
- Approval of the remuneration policy for members of the Executive Board in relation to their terms of office,
- Approval of the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Elmar Heggen, Chairman of the Supervisory Board,
- Approval of the remuneration policy for members of the Supervisory Board,
- Authorisation to be given to the Executive Board to enable the Company to buy back its own shares under Article L. 225-209 of the Commercial Code; duration of the authorisation, objectives, terms and conditions and maximum number of shares, suspension during a public offering period,

Resolutions in extraordinary session:

- Authorisation to be given to the Executive Board to cancel shares bought back under Article L. 225-209 of the Commercial Code; duration of the authorisation and maximum number of shares,
- Alignment of the Bylaws with applicable regulations,
- Applicable textual references in the event of a coding change
- Powers to complete formalities.

7.2 REPORT OF THE EXECUTIVE BOARD AND RESOLUTIONS SUBMITTED TO THE ANNUAL GENERAL MEETING

7.2.1 Resolutions in ordinary session:

Report of the Executive Board

By voting the 1st and 2nd resolutions we ask you to approve the consolidated financial statements for the year ended 31 December 2019. The 3rd resolution is intended to allocate the profits for the year 2019 and to set the dividend.

FIRST RESOLUTION – APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 - APPROVAL OF NON-TAX-DEDUCTIBLE EXPENSES AND CHARGES,

After reviewing the reports of the Executive Board and the Statutory Auditors, as well as the observations of the Supervisory Board for the year ended 31 December 2019, the General Meeting approves the parent company financial statements drawn up at the said date, which show a profit of €155,825,602.49.

The General Meeting specifically approves the total of €47,603.96 of expenses and charges covered under Article 39 of the General Tax Code, as well as the corresponding tax charge.

SECOND RESOLUTION - APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

After reviewing the reports of the Executive Board and the Statutory Auditors, as well as the observations of the Supervisory Board on the consolidated financial statements for the year ended 31 December 2019, the General Meeting approves the consolidated financial statements, as presented, which show a profit (Group share) of €172,655.510.03.

THIRD RESOLUTION - ALLOCATION OF PROFITS AND SETTING OF DIVIDEND

The General Meeting approves the allocation of the profit for the financial year ended 31 December 2019, as proposed by the Executive Board, as follows:

Source

- Net profit for the year €155,825,602.49
- Retained earnings €358,549,669.95

Allocation

- Dividends €126,414,248.00
- Retained earnings €387,961,024.44

The General Meeting notes that the total gross dividend is set at €1 per share.

When it is paid to individuals who are tax residents in France, the dividend is subject to a single fixed-levy deduction at source on the gross dividend at the flat rate of 12.8% (Article 200 A of the French General Tax Code), i.e. at the express, irrevocable and comprehensive wishes of the taxpayer, on income tax calculated according to a sliding scale after notably an allowance of 40% (Articles 200 A, 13, and 158 of the French General Tax Code). The dividend is also subject to social security contributions at the rate of 17.2%.

The ex-dividend date will be 13 May 2020.

The payment shall be made on 15 May 2020.

It is stipulated that if the Company holds some of its own shares on the ex-dividend date, the amounts corresponding to undistributed dividends attributable to such shares will be allocated to retained earnings.

Pursuant to Article 243 (ii) of the General Tax Code, the General Meeting notes that the dividends paid and the distributions made over the past three financial years were as follows:

FINANCIAL YEAR	REVENUE ELIGIBLE FOR TAX REBATE		DISTRIBUTION NOT ELIGIBLE FOR TAX RELIEF
	DIVIDENDS	OTHER DISTRIBUTIONS	
2016	€107,452,110.80* being €0.85 per share	-	-
2017	€120,093,535.60* being €0.95 per share	-	-
2018	€126,414,248* being €1 per share	-	-

* Not taking into account undistributed dividends attributable to treasury shares and allocated to retained earnings.

FOURTH RESOLUTION - STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS AND APPROVAL OF THESE AGREEMENTS

Report of the Executive Board

The 4th resolution submits for shareholder approval the agreements and commitments, covered by Articles L. 225-86 and subsequent of the Commercial Code and concluded or renewed during 2019, as mentioned in the Statutory Auditors' Special Report on these agreements included in section 5.9 of the 2019 Universal Registration Document, which are as follows:

- Agreement concluded between Métropole Télévision and RTL Group, acting on behalf of Immobilière Bayard d'Antin S.A., in respect of the acquisition of blocks of shares in M6, up to 10% of the share capital, in particular with a view to cancelling them.

This agreement was signed on 30 April 2019, having been authorised by the Supervisory Board on 25 April 2019, with the aim of maintaining RTL Group's shareholding under 49% of the share capital of Métropole Télévision, in compliance with the provisions of Article 39 of the Law of 30 September 1986 on Freedom of Communication. The Supervisory Board considered the agreement to be consistent with the corporate interest of Métropole Télévision.

- Cash management agreement between Bayard d'Antin and Métropole Télévision, signed on 19 February 2010 and renewed on 15 November 2011, 15 November 2012, 15 November 2013, 15 November 2014, 13 November 2015, 14 November 2016, 15 November 2017, 15 December 2018 and 15 December 2019.

Métropole Télévision may deposit its surplus cash with Bayard d'Antin S.A. and borrow a maximum of €50 million from Bayard d'Antin, providing this amount does not exceed 48% of amounts borrowed from banking institutions. In order to comply with Métropole Télévision's cash management policy, the amount that may be deposited with Bayard d'Antin S.A. shall never exceed more than 20% of the cash resources of Métropole Télévision Group.

Taking into account the financial terms and conditions appended to this agreement which are in strict compliance with what Métropole Télévision practises with its subsidiaries and the limitations attached thereto, the Supervisory Board considers the agreement to be consistent with the corporate interest of Métropole Télévision.

Deliberating on the Statutory Auditors' special report on regulated agreements and commitments submitted to it, the General Meeting approves the new agreements mentioned herein.

FIFTH RESOLUTION - APPROVAL OF A COMMITMENT MADE IN FAVOUR OF DAVID LARRAMENDY

Report of the Executive Board

The 5th resolution submitted for shareholder approval regards the approval of the commitment made for the benefit of David Larramendy relative to compensation that may be due as a result of the termination of his contract of employment. For further information, please refer to section 2.3 of the 2019 Registration Document (Corporate officers' remuneration and benefits).

The General Meeting approved the commitment made by the Company in favour of David Larramendy, Executive Board member, corresponding to the compensation likely to be due as a result of the termination of his duties.

Report of the Executive Board

Resolutions 6 to 9 pertaining to the terms of office of the Principal and Alternate Statutory Auditors are recommended by the Supervisory Board after consultation with the Audit Committee.

Due to the expiry of the terms of office of Métropole Télévision's two Statutory Auditors, and upon the proposal of the Audit Committee which, since the autumn of 2019, has overseen the organisation of a process to select the next college and which has acknowledged the recommendation of the company, the Supervisory Board has decided to propose the appointments of the firms Ernst & Young and KMPG to the General Meeting.

These resolutions also confirm the end of the obligation to appoint alternate statutory auditors.

SIXTH RESOLUTION – REAPPOINTMENT OF ERNST & YOUNG ET AUTRES AS PRINCIPAL STATUTORY AUDITOR

On the proposal of the Supervisory Board, the General Meeting re-appoints ERNST & YOUNG et Autres, whose term of office expires at the end of the present Meeting, as Principal Statutory Auditors for a further period of six years until the Ordinary Annual General Meeting called in 2026 to approve the financial statements for the year ended 31 December 2025.

SEVENTH RESOLUTION – NON-REAPPOINTMENT AND NON-REPLACEMENT OF AUDITEX AS ALTERNATE STATUTORY AUDITOR

On the proposal of the Supervisory Board, the General Meeting decides, having noted that the duties of the Alternate Statutory Auditors from the firm Auditex expire at the end of this General Meeting, not to reappoint them or appoint a replacement, pursuant to the law.

EIGHTH RESOLUTION – APPOINTMENT OF KPMG TO REPLACE PRICEWATERHOUSECOOPERS AUDIT AS PRINCIPAL STATUTORY AUDITOR

On the proposal of the Supervisory Board, the General Meeting appoints KPMG to replace PricewaterhouseCoopers Audit, whose term of office expires at the end of the present Meeting, as Principal Statutory Auditors for a period of six years until the Ordinary Annual General Meeting called in 2026 to approve the financial statements for the year ended 31 December 2025.

NINTH RESOLUTION – NON-REAPPOINTMENT AND NON-REPLACEMENT OF JEAN-CHRISTOPHE GEORGHIU AS ALTERNATE STATUTORY AUDITOR

On the proposal of the Supervisory Board, the General Meeting decides, having noted that the duties of the Alternate Statutory Auditor Jean-Christophe GEORGHIU expire at the end of this General Meeting, not to reappoint him or replace him, pursuant to the law.

Report of the Executive Board

Resolutions 10 to 14 submitted for shareholder approval relate to the terms of office of members of the Supervisory Board.

The terms of office of 3 of the 9 members comprising the Supervisory Board will expire at the next General Meeting. Upon the recommendation of the Remuneration and Appointments Committee, it is proposed to re-appoint:

- Elmar Heggen, COO of RTL Group. He was selected for appointment by the Executive Board due to his knowledge of the media sector, his responsibilities within RTL Group and his vital contribution to the work of the Board.
- Philippe Delusinne, Chief Executive Officer of RTL Belgium. He was selected for appointment by the Executive Board due to his knowledge of the media sector and specifically French language television, and for his involvement in the work of the Board
- Mouna Sepehri, independent member, lawyer. She was selected for appointment by the Board due to the skills she has demonstrated in her professional career, and her contribution to the meetings of the Audit Committee and Board.

Furthermore, it is proposed to ratify the provisional appointments of two Board members:

- Björn Bauer, CFO of RTL Group, co-opted to replace Vincent de Dorlodot, who resigned, for the remainder of his predecessor's term of office, i.e. until the close of the General Meeting called in 2022 to approve the financial statements for the year then ended.
- Siska Ghesquiere, *General Counsel and Head of M&A* of RTL Group, co-opted to replace Juliette Valains, who resigned, for the remainder of her predecessor's term of office, i.e. until the close of the General Meeting called in 2023 to approve the financial statements for the year then ended.

Björn Bauer was selected for appointment by the Executive Board for his extensive knowledge of the media sector and his strong financial skills.

Siska Ghesquiere was selected for appointment by the Executive Board due to her knowledge of the media sector and her expertise in the integration of companies.

The Supervisory Board recognised that Siska Ghesquiere, Elmar Heggen, Philippe Delusinne and Björn Bauer could not be considered as independent due to their involvement with RTL Group.

Conversely, the Supervisory Board noted that Mouna Sepehri could be considered to be independent.

If all the resolutions submitted to the AGM concerning the composition of the Board were adopted, at the end of the Meeting the Board would consist of 8 members (excluding the member representing employees), including 3 independent members, i.e. one-third, in compliance with the recommendations of the AFEP-MEDEF Code.

TENTH RESOLUTION - REAPPOINTMENT OF MOUNA SEPEHRI AS MEMBER OF THE SUPERVISORY BOARD

The General Meeting decides to renew Mouna Sepehri's term of office as member of the Supervisory Board for a period of 4 years, until the close of the General Meeting called in 2024 to approve the financial statements for the year then ended.

ELEVENTH RESOLUTION - REAPPOINTMENT OF ELMAR HEGGEN AS MEMBER OF THE SUPERVISORY BOARD

The General Meeting decides to renew Elmar Heggen's term of office as member of the Supervisory Board for a period of 4 years, until the close of the General Meeting called in 2024 to approve the financial statements for the year then ended.

TWELFTH RESOLUTION - REAPPOINTMENT OF PHILIPPE DELUSINNE AS MEMBER OF THE SUPERVISORY BOARD

The General Meeting decides to renew Philippe Delusinne's term of office as member of the Supervisory Board for a period of 4 years, until the close of the General Meeting called in 2024 to approve the financial statements for the year then ended.

THIRTEENTH RESOLUTION - RATIFICATION OF THE PROVISIONAL APPOINTMENT OF BJÖRN BAUER AS MEMBER OF THE SUPERVISORY BOARD

The General Meeting ratifies the provisional appointment of Björn Bauer, made by the Supervisory Board during its meeting of 11 December 2019, as member of the Supervisory Board to replace Vincent de Dorlodot, who resigned.

Accordingly, Björn Bauer will carry out her duties for the remainder of her predecessor's term of office, i.e. until the close of the General Meeting called in 2022 to approve the financial statements for the year then ended.

FOURTEENTH RESOLUTION - RATIFICATION OF THE PROVISIONAL APPOINTMENT OF SISKA GHESQUIERE AS MEMBER OF THE SUPERVISORY BOARD

The General Meeting ratifies the provisional appointment of Siska Ghesquiere, made by the Supervisory Board during its meeting of 11 December 2019, as member of the Supervisory Board to replace Juliette Valains, who resigned.

Accordingly, Siska Ghesquiere will carry out her duties for the remainder of her predecessor's term of office, i.e. until the close of the General Meeting called in 2023 to approve the financial statements for the year then ended.

Report of the Executive Board

Resolutions 15 to 22 concern the components of remuneration of the members of the Executive Board:

- The 15th Resolution submits to a vote of shareholders the information on the remuneration of all corporate officers included in the report on corporate governance (overall Ex Post Say on Pay).
- The 16th resolution submits for shareholder approval the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to the Chairman of the Executive Board (Ex Post Say on Pay);
- The 17th resolution submits to them the remuneration policy regarding the Chairman of the Executive Board (Ex Ante Say on Pay);
- The 18th, 19th, 20th and 21st resolutions submit the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to the members of the Executive Board for their terms of office (Say on Pay Ex-Post);
- The 22nd Resolution submits to them the remuneration policy regarding members of the Executive Board (Ex Ante Say on Pay).

ELEVENTH RESOLUTION – APPROVAL OF THE INFORMATION REFERRED TO IN SECTION I OF ARTICLE L.225-37-3 OF THE FRENCH COMMERCIAL CODE

The General Meeting, determining in application of Article L. 225-100 II of the French Commercial Code, approves the information included in Section I of Article L. 225-37-3 of the French Commercial Code and mentioned in the report on corporate governance included in paragraphs 2.3.2 and 2.3.3 of the report on corporate governance (included in the 2019 Universal Registration Document).

SIXTEENTH RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO NICOLAS DE TAVERNOST, CHAIRMAN OF THE EXECUTIVE BOARD

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Nicolas de Tavernost, Chairman of the Executive Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

SEVENTEENTH RESOLUTION - APPROVAL OF THE REMUNERATION POLICY FOR THE CHAIRMAN OF THE EXECUTIVE BOARD

The General Meeting, ruling pursuant to Article 225-82-2 of the French Commercial Code, approves the remuneration policy of the Chairman of the Executive Board as presented in paragraph 2.3.1 of the report on corporate governance (included in the 2019 Universal Registration Document).

EIGHTEENTH RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO THOMAS VALENTIN IN RELATION TO HIS TERM OF OFFICE AS MEMBER OF THE EXECUTIVE BOARD

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated to Thomas Valentin during the financial year just ended in relation to his term of office as Member of the Executive Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

NINETEENTH RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO JÉRÔME LEFÉBURE IN RELATION TO HIS TERM OF OFFICE AS MEMBER OF THE EXECUTIVE BOARD

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated to Jérôme Lefébure during the financial year just ended in relation to his term of office as Member of the Executive Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

TWENTIETH RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO DAVID LARRAMENDY IN RELATION TO HIS TERM OF OFFICE AS MEMBER OF THE EXECUTIVE BOARD

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated to David Larramendy during the financial year just ended in relation to his term of office as Member of the Executive Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

TWENTY-FIRST RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO CHRISTOPHER BALDELLI, IN RELATION TO HIS TERM OF OFFICE AS MEMBER OF THE EXECUTIVE BOARD UNTIL 1 JULY 2019

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated to Christopher Baldelli during the financial year just ended, until 1 July 2019, in relation to his term of office as Member of the Executive Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

TWENTY-SECOND RESOLUTION - APPROVAL OF THE REMUNERATION POLICY FOR MEMBERS OF THE EXECUTIVE BOARD IN RELATION TO THEIR TERMS OF OFFICE

The General Meeting, ruling pursuant to Article 225-82-2 of the French Commercial Code, approves the remuneration policy of the members of the Executive Board as presented in paragraph 2.3.1 of the report on corporate governance (included in the 2019 Universal Registration Document).

Report of the Executive Board

Resolutions 23 and 24 concern the components of remuneration of the members of the Supervisory Board:

- The 23rd resolution submits for shareholder approval the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Elmar HEGGEN, in relation to his term of office as Chairman of the Supervisory Board (Say on Pay Ex-Post), as set out in paragraph 2.3.4 of the 2019 Universal Registration Document.
- The 24th resolution submits for shareholder approval the remuneration policy in respect of the members of the Supervisory Board (Say on Pay Ex-Ante), as set out in paragraph 2.3.3 of the 2019 Universal Registration Document.

TWENTY-THIRD RESOLUTION - APPROVAL OF THE COMPONENTS OF REMUNERATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED DURING THE FINANCIAL YEAR JUST ENDED TO ELMAR HEGGEN, CHAIRMAN OF THE SUPERVISORY BOARD

The General Meeting, ruling pursuant to Article L. 225-100 III of the French Commercial Code, approves the components of remuneration and benefits of any kind paid or allocated during the financial year just ended to Elmar Heggen, Chairman of the Supervisory Board, as presented in paragraph 2.3.4 of the report on corporate governance (included in the 2019 Universal Registration Document).

TWENTY-FOURTH RESOLUTION - APPROVAL OF THE REMUNERATION POLICY FOR MEMBERS OF THE SUPERVISORY BOARD

The General Meeting, ruling pursuant to Article 225-82-2 of the French Commercial Code, approves the remuneration policy of the members of the Supervisory Board as presented in paragraph 2.3.3 of the report on corporate governance (included in the 2019 Universal Registration Document).

TWENTY-FIFTH RESOLUTION - AUTHORISATION TO BE GRANTED TO THE MANAGEMENT BOARD FOR THE BUYBACK BY THE COMPANY OF ITS OWN SHARES PURSUANT TO ARTICLE L. 225-209 OF THE COMMERCIAL CODE

Report of the Executive Board

The 25th resolution submitted for shareholder approval concerns the authorisation to be given to the Executive Board to enable the Company to buy back its own shares, within the limits set by the shareholders and pursuant to the provisions of Article L. 225-209 and subsequent of the Commercial Code.

This authorisation would permit the purchase of up to 10% of the share capital at a maximum price of €25 per share during a period of 18 months. The maximum amount of this transaction would be set at €316,035,620. The 2019 Universal Registration Document (Paragraph 3.6) includes the features of the buyback programme proposed this year and provides information on the use of the previous programme.

After reviewing the report of the Executive Board's, and in accordance with Article L. 225-209 and subsequent of the Commercial Code, the General Meeting authorises the Executive Board, for a period of eighteen months, to buy back Company shares, on one or more occasions, at the discretion of the Executive Board, up to a limit of 10% of the share capital, based either on current share capital, or as adjusted to take account of any capital increase or reduction during the period.

This authorisation supersedes the prior authorisation granted to the Executive Board by the Ordinary General Meeting on 25 April 2019 in its 18th resolution in ordinary session.

These shares may be purchased to fulfil the following objectives:

To stimulate the secondary market or ensure the liquidity of the METROPOLE TELEVISION share, by way of an investment services provider within a liquidity contract that complies with the practice approved by regulations, it being specified that within this framework the number of shares considered for the calculation of the limit specified above corresponds to the number of shares purchased less the number of shares resold,

- to retain the purchased shares for future exchange or payment, within the framework of potential acquisitions,
- to ensure the allocation of shares and/or free share plans (or comparable plans) through stock option plans for the benefit of Group employees and/or corporate officers as well as any allocation of shares within the framework of a company or Group savings plan (or comparable plan), within the framework of profit sharing and/or any other form of share allocation to Group employees and/or corporate officers;
- to allocate shares upon the exercise of rights attached to marketable securities in accordance with applicable regulations;
- to cancel purchased shares, in accordance with the authorisation conferred or to be conferred by the Extraordinary General Meeting.

Shares may be bought back by any means, including through the acquisition of blocks of shares, and at the times the Executive Board will deem fit.

Unless granted in advance by the General Meeting, the Board may not make use of this authorisation during a public offering period initiated by a third party for the Company's securities throughout the duration of the offering period.

The Company reserves the right to use option mechanisms or derivative instruments in accordance with applicable regulations.

The maximum purchase price is set at €25 per share. In the event of a transaction on the share capital, in particular a division or consolidation of shares or allocation of shares to the shareholders, the price indicated above will be adjusted by a factor equal to the ratio between the number of shares comprising the share capital before and after the transaction.

The maximum amount of the transaction is set at €316,035,620.

The General Meeting confers full powers on the Executive Board to proceed with these transactions, set the terms and conditions, conclude all agreements and perform all formalities.

7.2.2 Resolutions in extraordinary session:

TWENTY-SIXTH RESOLUTION - AUTHORISATION TO BE GIVEN TO THE EXECUTIVE BOARD TO CANCEL SHARES BOUGHT BACK UNDER ARTICLE L. 225-209 OF THE COMMERCIAL CODE

Report of the Executive Board

The 26th resolution submits for shareholder approval the authorisation to be given to the Executive Board, for a period of 24 months, to reduce the share capital by cancellation of treasury shares within the limit of 10% of the share capital of the Company, as calculated on the day the cancellation is decided, after deducting cancellations carried out within the last 24 months.

The authorisations to be granted by resolutions 25 and 26 will supersede previous authorisations of the same nature granted to the Executive Board by the General Meeting of 25 April 2019.

After reviewing the report of the Executive Board and the Statutory Auditors' Report, the General Meeting:

- 1) Authorises the Executive Board to cancel, at its own discretion, on one or more occasions and within the limit of 10% of the share capital, as calculated on the day of the decision to cancel them and excluding any shares cancelled during the preceding 24-month period, shares that the Company holds or may come to hold following buybacks carried out pursuant to Article L. 225-209 of the Commercial Code, as well as reducing the share capital accordingly, in accordance with legal provisions and regulations in force,
- 2) Sets the validity of this authorisation to a period of twenty-four months from the date of this General Meeting,
- 3) Confers full powers to the Executive Board to carry out the necessary transactions for the cancellation and reduction of the share capital, amend the Company's bylaws accordingly and carry out all necessary formalities.

Report of the Executive Board

The 27th Resolution submitted for the approval of shareholders related to the amendment of the Bylaws and to potential changes in the codifications of legislative and regulatory references:

1. With reference to the identification of bearer shareholders (Article 10 of the Bylaws): it is proposed that the drafting of the Bylaws be expanded, given the change effected by the Pacte Law of 22 May 2019, which now enables the account keeper to be questioned directly (and not uniquely via the central depository).
2. With reference to Board members representing employees (Article 20 of the Bylaws): it is important to update the Bylaws in order to lower from 12 to 8 the threshold above which the Company is legally required to appoint a second member representing employees. In accordance with the transitional arrangements provided for by the Pacte Law (having lowered this threshold), members of the Supervisory Board representing employees (in the event that this new threshold is exceeded) must take up office no later than six months following this General Meeting.
3. With regards to the procedures according to which a Member of the Board can grant power for them to be represented on the Board (Article 22 of the Bylaws): it is proposed that the reference to the telegram be replaced by a reference to an email.
4. With regards to the remuneration of Board members (Article 23 of the Bylaws): it is proposed that the reference to the concept of "attendance fees" be removed.
5. With regards to the remuneration of corporate officers (Articles 22 and 23 of the Bylaws): it is proposed that a reference to the applicable regulations be added in order to implicitly cover the "Say on Pay" mechanism regarding the setting of the remuneration of corporate officers.
6. With regards to the reference to the minutes of the Chairman of the Board within the framework of a report (Article 24 of the Bylaws): it is proposed that it be deleted given the removal of the Chairman's report.
7. With regards to securities, sureties, or guarantees (Article 24 of the Bylaws): Regulations now mean that, for sureties, endorsements and guarantees given for undertakings made by controlled companies within the meaning of Article L.233-16 of the French Commercial Code, the authorisation by the Supervisory Board to the Executive Board can be within unlimited amounts, and for a period of one year or indefinitely (subject to having an annual account thereof). As such, to take account of this new ability, it is proposed that it is specified that the authorisation granted to the Executive Board in this regard can, by way of exception, be of an unlimited amount and, where applicable, an unlimited duration.
8. With reference to the procedure detailed in relation to regulated agreements (Article 25 of the Bylaws): It is proposed that the Bylaws be enhanced, in accordance with the new regulations, which notably provide for an exclusion from discussions (and from voting) of either directly or indirectly interested parties.
9. With reference to the postal voting form (Article 29 of the Bylaws): It is proposed that it is specified, in accordance with applicable regulations, that the absence of any voting indication on the form will not be considered as a vote cast (and will therefore not be considered as a vote against).
10. With regards to the indication of changes in accounting methods in the management report (Article 39 of the Bylaws): It is proposed that this reference, which is no longer required by regulations, be removed.

The 28th Resolution relates to the reference texts applicable in the event of a change in codification.

TWENTY-SEVENTH RESOLUTION - ALIGNMENT OF THE BYLAWS WITH APPLICABLE REGULATIONS

The General Meeting, having considered the Executive Board's reports, decides:

1. With reference to identifiable bearer shares:

- to align Article 10 of the Bylaws with the provisions of Article L.228-2 of the Commercial Code as amended by the Law n°2016-486 of 22 May 2019,

- to amend Article 10 of the Bylaws accordingly as follows:

"Shares may be held in registered or bearer form.

Shares and any other securities issued by the Company are registered in accordance with the legislation in force.

With a view to the identification of holders of bearer shares, the company may, under the conditions set out by current legal and regulatory provisions, at any moment demand information regarding the owners of its shares and securities conferring, either immediately or in the future, the right to vote in its shareholder meetings." "

2. Concerning the threshold triggering the obligation to appoint a second member representing employees:

- to align Article 20 of the Bylaws relating to the procedure for appointing a member of the Board representing employees, with the provisions of Article L. 225-79-2 of the Commercial Code as amended by the Law n°2016-486 of 22 May 2019,
- to amend sub-paragraphs 1 and 2 of paragraph 1 Bis of Article 20 of the Bylaws accordingly as follows:

"1. Bis. The Supervisory Board also includes, in accordance with regulations, one or more members representing the Group's employees.

If the number of Supervisory Board members appointed by the Ordinary General Meeting exceeds eight, a second member of the Board representing employees is appointed, in accordance with the provisions set out below, within six months of co-option by the Board or appointment by the Ordinary General Meeting of a new member of the Supervisory Board. ”

- to amend sub-paragraph 5 of Paragraph 1 Bis of Article 20 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“If the number of Supervisory Board members appointed by the Ordinary General Meeting is reduced to 8 or less, this reduction will not affect the duration of the term of office of employee representatives to the Board, whose term will expire as normal.”

3. With reference to the telegram:

- to remove the reference to the telegram in Article 22 and replace it with an email,

- to amend section 5 of the second paragraph of Article 22 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“Any member of the Board may grant proxy to a colleague, even by letter or email, to represent him/her at a Board meeting.”

4. Concerning the remuneration allocated to the members of the Supervisory Board:

- to align Article 23 of the Bylaws with the provisions of Article L. 225-83 of the Commercial Code as amended by the Law n°2016-486 of 22 May 2019;

- to amend the first paragraph of Article 23 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“The General Meeting may allocate members of the Supervisory Board an annual fixed sum, the amount of which is recorded as Company overheads.”

5. With reference to the Say on Pay:

- to align Articles 22 and 23 of the Bylaws with the provisions of Articles L. 225-63 and L. 225-83 of the Commercial Code as amended by the Law n°2016-1691 of 9 December 2016 and the Order n°2019-1234 of 27 November 2019;

- to amend paragraph 2 of Article 23 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“The Supervisory Board apportion such remuneration among its members as prescribed by law. ”

- to amend the first paragraph of Article 24.1 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“ - appoints the members of the Executive Board and the Chairman, and if necessary the Chief executive officers from among the members of the Executive Board; it decides or may propose to the General Meeting dismissal, and sets their compensation in accordance with regulations. ”

6. With regards to the reference to the Chairman’s Report

- to align Article 24.1 of the Bylaws with the provisions of Article L. 225-68 of the Commercial Code as amended by the Order n°2017-1162 of 12 July 2017;

- to cancel the penultimate sub-paragraph of Article 24.1 of the Bylaws accordingly, the remainder of the article remaining unchanged.

7. With reference to the securities, sureties, or guarantees:

- to align Article 24.1 of the Bylaws with the provisions of Article L. 225-68 of the Commercial Code as amended by the Law n°2019-744 of 19 July 2019;

- to amend the 5th indent of paragraph 24.1 of the Bylaws as follows, with the remainder of the article remaining unchanged:

“ - may authorise the Executive Board to issue securities, sureties, or guarantees during a period which may not exceed one (1) year, and within the limit of a total amount fixed by its decision, subject to the exceptions set out by regulations. ”

8. With reference to regulated agreements:

- to align Article 25 of the Bylaws with the provisions of Article L. 225-88 of the Commercial Code as amended by the Law n°2016-486 of 22 May 2019;

- to amend the fourth sub-paragraph of Article 25 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“The party directly or indirectly interested in relation the agreement is required to inform the Supervisory Board as soon as they become aware of an agreement subject to an authorisation. If they sit on the Supervisory Board, they cannot take part in either the discussions or the vote on the authorisation requested.”

9. 1With reference to taking into account the abstention within the context of the processing of postal votes:

- to align the Bylaws with the provisions of Article R. 225-76 of the Commercial Code as amended by the Decree n°2016-1486 of 27 December 2019;

- to amend the eighth paragraph of Article 29 of the Bylaws accordingly and as follows, the remainder of the article remaining unchanged:

“The postal voting form informs the shareholder in a very visible manner that any abstention expressed on the form or resulting from a lack of voting indication will not be considered as a vote cast.”

10. With regards to the reference to changes in the accounting methods in the management report:

- to align Article 39 of the Bylaws with applicable regulations;

- to remove the last sentence of the final paragraph of Article 39 of the Bylaws, the remainder of the article remaining unchanged:

TWENTY-EIGHTH RESOLUTION – APPLICABLE TEXTUAL REFERENCES IN THE EVENT OF A CODING CHANGE

The General Meeting acknowledges that the textual references referred to in all the resolutions submitted to this General Meeting refer to the legal and regulatory provisions applicable on the date of the preparation of said resolutions and that in the event of any change to the codification of said provisions, the textual references corresponding to the new coding shall replace them.

TWENTY-NINTH RESOLUTION – POWERS TO COMPLETE FORMALITIES

Report of the Executive Board
The 29th resolution submitted for shareholder approval concerns the delegation of powers to complete formalities.

The General meeting grants full powers to the bearer of an original, copy or excerpt of these minutes.

7.3 STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL REDUCTION PROVIDED FOR BY THE 26TH RESOLUTION

PricewaterhouseCoopers Audit

63 rue de Villiers
92208 Neuilly-sur-Seine

Ernst & Young et Autres

Tour First TSA 14444
92037 Paris-La Défense Cedex

Simplified joint stock company with variable capital

Statutory Auditors' report on the share capital reduction

Combined General Meeting of 28 April 2020 - 26th resolution

To the Shareholders,

As Statutory Auditors of your Company and in execution of our assignment under Article L. 225-209 of the Commercial Code in the event of a reduction in capital arising from shares bought back, we present our report with a view to providing you with our opinion on the reasons for and the terms and conditions of the proposed capital reduction.

Your Executive Board proposes that you delegate to it, for a period of 24 months starting on the date of this General meeting, all powers to cancel the shares thus purchased in respect of the implementation of the authorisation for your Company to purchase its own shares in accordance with the provisions of the above-mentioned article, up to the limit of 10% of its share capital and by 24-month period.

We have performed the due diligence we deemed necessary in the light of the professional standards of Compagnie Nationale des Commissaires aux Comptes relative to this assignment, in order to verify whether the reasons for and the terms and conditions of the proposed share capital reduction, which is not liable to affect the equality of shareholders, are reasonable.

We have no observations to make on the reasons for and the terms and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Paris-La Défense, 2 March 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Marty

ERNST & YOUNG et Autres

Bruno Bizet

PARIS PREMIÈRE

8

ADDITIONAL INFORMATION

ON AIME //
LES DÉBATS
LES PERSONNALITÉS
LES SPECTACLES
LA NUIT // //
L'HUMOUR
LA GASTRONOMIE
LA MODE
LA POLITIQUE
LA TÉLÉ
LES ÉVÉNEMENTS /
LE DIRECT ///

8.1 CHANGES IN ACCOUNTING PRINCIPLES

The consolidated financial statements at 31 December 2019 have been prepared in accordance with the IAS/IFRS (International Financial Reporting Standards) in force within the European Union at that date. Changes in standards in force at 31 December 2019 are set out in detail in Note 3.1 to the consolidated financial statements of this document.

Furthermore, the parent company financial statements at 31 December 2019 have been prepared in accordance with the French Chart of Accounts. Changes in standards in force at 31 December 2019 are set out in detail in Note 2 to the parent company financial statements of this document.

8.2 OTHER INFORMATION IN RESPECT OF THE PARENT COMPANY FINANCIAL STATEMENTS

8.2.1 Tax-related information

(€ K)	2019	2018
Total of expenses and charges excluded from deductible expenses (Article 39-4 of the Income Tax Code)	47.6	50.0
Amount of attendance fees excluded from deductible expenses (Article 210 (vi) of the Income Tax Code)	0.0	0.0
Remunerations and other charges relating to the 10 highest paid persons	6,825.1	7,330.2
Gifts and reception costs	296.3	510.0
Expenses added back to taxable profit	47.6	50.0

8.2.2 Corporate information

The Company will provide any shareholder who requests it with a copy of the corporate report provided by Articles L.2323-68 and subsequent of the Labour Code.

8.3 INFORMATION INCLUDED BY REFERENCE

Pursuant to Article 19 of European Regulation 2017/1129 of the Commission, the following items are included by reference in this Universal Registration Document:

- The consolidated financial statements for the year ended 31 December 2018 and the relevant report of the Statutory Auditors included on pages 182 to 243 of the 2018 Universal Registration Document, registered with the AMF on 06 March 2019 under number D.19-0118, as well as the Management Report included on pages 8 to 318 of the same 2018 Universal Registration Document.
- The consolidated financial statements for the year ended 31 December 2017 and the relevant report of the Statutory Auditors included on pages 180 to 240 of the 2017 Universal Registration Document, registered with the AMF on 7 March 2018 under number D.18-0108, as well as the Management Report included on pages 8 to 309 of the same 2017 Universal Registration Document.

8.4 PROVISIONAL CALENDAR

- 28 April 2020: Combined Shareholders' General Meeting
- 28 April 2020: First quarter 2020 financial information
- 13 May 2020: Ex-dividend date for 2019 dividend
- 15 May 2020: Payment of 2019 dividend
- 28 July 2020: Half-year sales and results 2020
- 27 October 2020: Third quarter 2020 financial information
- 27 April 2021: Combined Shareholders' General Meeting

8.5 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I certify that, after taking all reasonable measures to this effect and to the best of my knowledge, the information set out in this Universal Registration Document is accurate and contains no omission which could impair its meaning.

I certify that, to my knowledge, the financial statements have been prepared in accordance with professional accounting standards applicable in France and give a fair view of the assets, financial position and performance of the Company and of all companies included in the consolidation scope, and that the Management Report on page 8 to 339 gives a true view of the business situation, performance and financial position of the Group and of all companies included in the consolidation, and that it details the main risks and uncertainties encountered.

Neuilly-sur-Seine, 6 March 2020

Nicolas de Tavernost

Chairman of the Executive Board

8.6 PERSONS RESPONSIBLE FOR FINANCIAL INFORMATION

Jérôme Lefébure

Chief Financial Officer

Tel: +33 1 41 92 64 30

Fax: +33 1 41 92 64 59

E-mail: jlefebure@m6.fr

Grégory Le Fouler

Deputy Chief Financial Officer

Tel: +33 1 41 92 57 94

Fax: +33 1 41 92 64 59

E-mail: gregory.le-fouler@m6.fr

8.7 STATUTORY AUDITORS

PRINCIPAL AUDITORS ⁽¹⁾		Address	Date of first appointment	Last year of financial statements to be audited	Expiry date of appointment
Ernst & Young et Autres	Bruno BIZET	Tour First, 1, place des Saisons 92400 Courbevoie	2002	2019	AGM 2020
PricewaterhouseCoopers Audit	Pierre MARTY	63, rue de Villiers 92208 Neuilly-sur-Seine Cedex	2008	2019	AGM 2020
<i>⁽¹⁾ PricewaterhouseCoopers Audit and Ernst & Young et Autres are members of Compagnie Régionale des Commissaires aux Comptes de Versailles</i>					
ALTERNATE AUDITORS		Address	Date of first appointment	Last year of financial statements to be audited	Expiry date of appointment
AUDITEX		Tour First, 1, place des Saisons 92400 Courbevoie	2008	2019	AGM 2020
Jean-Christophe GEORGHIU		63, rue de Villiers 92208 Neuilly-sur-Seine Cedex	2014	2019	AGM 2020
<i>AGM: Annual General Meeting</i>					

8.8 RECONCILIATION TABLES

8.8.1 Reconciliation table pursuant to European Regulation n°2019/980

HEADINGS	SECTIONS
1. Persons responsible, third party information, experts' reports and competent authority approval	
- Persons responsible for the information	8.6
- Statement by the persons responsible for the document	8.5
- Experts' report	N/A
- Other statements in the case of third-party information	N/A
- Statement relating to approval of the document	Page 3
2. Statutory Auditors	8.7
3. Risk factors	1.7
4. Information about the issuer	
- Legal and commercial name	3.1 / 1.4
- Registration number and legal entity identifier (LEI)	3.1
- Date of incorporation and length of life	3.1
- Domicile – legal form – governing legislation – website – other	3.1 / 3.4
5. Business overview	
- Main activities	1.4
- Main markets	1.4
- Significant events	1.3
- Strategy, and financial and non-financial objectives	1.5 / 6.0
- Degree of dependence	1.7.1
- Competitive position	1.5
- Investments	4.2.4
6. Organisational structure	
- Brief description of the group / Organisational structure	1.2 / 1.4
- List of significant subsidiaries	4.3.4
7. Operating and financial review	
- Financial position	4.2.1 / 4.3.1
- Operating profit	4.1
8. Cash position and capital	
- Issuer's capital	4.2.1 / 5.1.4
- Cash flow	4.2.2 / 5.1.3
- Borrowing requirements and funding structure	4.2.1 / 5.2.19.2
- Restrictions on the use of capital	1.6
- Expected sources of financing	5.2.19.2
9. Regulatory environment	1.6
10. Information on market trends	1.5
11. Profit forecasts and estimates	N/A
12. Administrative, Management, Supervisory and Executive bodies	
- Supervisory and Executive Bodies	2.1 / 2.2
- Conflicts of interest	2.4.1
13. Remuneration and benefits	
- Remuneration and benefits paid or granted	2.3
- Provisions for retirement or similar benefits	2.3.1
14. Operation of Supervisory and Executive bodies	
- Expiry dates of current terms of office	2.1.1 / 2.2.1
- Service agreements	2.4.1
- Committees	2.1.3
- Compliance with corporate governance regime	2.0
- Potential material impacts and future changes in governance	2.2.1
15. Employees	
- Breakdown of employees	5.2.7.3 / 6.2.8.A
- Shareholding and stock options	2.3.1 / 2.3.2 / 3.7 / 6.2.8.C
- Arrangements for involving the employees in the capital	3.5 / 3.7 / 6.2.8.C
16. Major shareholders	3.5
17. Related party transactions	5.2.25 / 5.9
18. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	
- Background financial information	1.1 / 5.7
- Interim and other financial information	N/A

- Auditing of historical annual financial information	5.3 / 5.6
- Pro forma financial information	1.1.2
- Dividend policy	3.3
- Legal and arbitration proceedings	1.6.6
- Significant change in the issuer's financial position	N/A
19. Additional information	
- Share capital	3.1.1 / 3.5 / 3.6 / 3.9
- Deed of incorporation and Bylaws	3.1
20. Significant contracts	4.1.3
21. Documents available	3.4

8.8.2 Reconciliation table with the annual financial report and the management report

HEADINGS	SECTIONS	
1. DECLARATION OF THE PERSON RESPONSIBLE	8.5	RFA
2. PARENT COMPANY FINANCIAL STATEMENTS	5.4 / 5.5	RFA
3. CONSOLIDATED FINANCIAL STATEMENTS	5.1 / 5.2	RFA
4. STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS	5.6	RFA
5. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	5.3	RFA
6. MANAGEMENT REPORT		
<i>6.1. Information on the Company and the Group's business activities</i>		
Company and Group position during the financial year just ended, projected change and significant post-balance sheet events	1.4 / 1.5	
L.232-1 II + V; L. 233-26 of the Commercial Code		
Company and Group sales and results per business sector	1.4 / 4.1	
L.233-6 of the Commercial Code		
Objective and comprehensive assessment of the business trends, financial performance and financial position (including the debt position) of the Company and the Group	1.4 / 4.1 / 4.2 / 4.3	RFA
L.225-100-1 of the Commercial Code		
Key financial and, if applicable, non-financial indicators for the Company and the Group	1.1	RFA
L.225-100-1 of the Commercial Code		
Main risks and uncertainties facing the Company and the Group	1.7	RFA
L.225-100-1 of the Commercial Code		
Internal control and risk management procedures related to the preparation and processing of the Company and the Group's accounting and financial information	1.8	RFA
L.225-100-1 of the Commercial Code		
Objective and policy relating to hedging transactions for which the Company's and Group's hedge accounting is used	5.2.20	
Company and Group exposure to price, credit, liquidity and cash-flow risks	5.2.20	RFA
Use of derivative instruments by the Company and the Group	5.2.19	
L.225-100-1 of the Commercial Code		
Company and Group financial risks related to the effects of climate change and presentation of the measures taken to reduce them (low carbon strategy)	6.0 / 6.3	RFA
L.225-100-1 of the Commercial Code		
Company and Group research and development activities	N/A	
L.232-1 II + V; L. 233-26 of the Commercial Code		
Subsidiaries	N/A	
L.232-1 II + V of the Commercial Code		
<i>6.2. Legal, financial, and tax information regarding the Company</i>		
Breakdown of, and changes to the shareholding structure	3.5	
L.233-13 of the Commercial Code		
Names of controlled companies and share capital in the company that they hold	1.2 / 4.3	
L.233-13 of the Commercial Code		
Material interests acquired in companies that had their registered office in France during the financial year	1.2 / 4.3	
L.233-6 of the Commercial Code		
Cross holdings	4.3	
R.233-19 of the Commercial Code		
Statement of employee holdings in the Company's share capital	3.5 / 3.7	
L.225-102 of the Commercial Code		
Purchase and sale of its own shares by the Company (share buybacks)	3.6	RFA
L.225-211 of the Commercial Code		
Adjustment of securities granting access to the share capital in the event of financial transactions	N/A	

R.228-91 of the Commercial Code		
Adjustments of securities granting access to the share capital and stock options in the event of share buybacks		N/A
R.228-90 and R. 225-138 of the Commercial Code		
Amounts of dividends paid in respect of the three previous financial years		3.3
Art 243-2 of the General Tax Code		
Amount of non-tax-deductible expenses and charges		8.2.1
Art 223-4 of the General Tax Code		
Payment terms, and breakdown of the balance of trade payables and receivables		5.5.3.10
L.441-6-1; D.441-4; A 441-2 of the Commercial Code		
Monetary injunctions or penalties for anti-competitive practices		1.6.6
L.464-2 I-5 of the Commercial Code		
Information relating to the operation of a SEVESO plant (Art. L. 515-8 C of the Environmental Code)		N/A
L.225-102-2 of the Commercial Code		
Amount of inter-company loans		5.2.19.2 / 5.2.20.2
L. 511-6-3-2 of the Monetary and Financial Code		
<i>6.3 Information regarding the corporate officers</i>		
Summary of dealings in securities by individual discharging managerial responsibilities and individual closely connected to them		3.8
L.621-18-2 of the Monetary and Financial Code; 223-26 General Regulations of the AMF		
<i>6.4. The company's CSR information</i>		
Inclusion of the social and environmental consequences of the business activities, including the consequences on climate change, and the use of goods and services produced, as well as the societal commitments to sustainable development, the circular economy, the fight against food waste, the prevention of discrimination and the promotion of diversity		6.
L225-102-1; R225-105; R225-105-1 of the Commercial Code		
6.5 Documents attached to the management report		
Report on payments to governments		N/A
Summary of financial results over each of the last 5 years		5.7
Report on corporate governance		2.

8.9 GLOSSARY

ADSL: *Asymmetric Digital Subscriber Line*. Internet access technology which makes use of high frequencies on telephone lines to transmit digital data at very high speeds. The distribution of television by an ADSL operator is also called IPTV.

Advertising market share: percentage of advertising investments captured by a sales house or a medium within a media market (television, radio, etc.).

AMF: *Autorité des Marchés Financiers* (Financial Markets Authority). Independent public authority whose roles are to ensure that savings invested in financial products are protected, that information is provided to investors and that the financial markets in France operate correctly.

Analogue: In television, a method of producing and transmitting images where the intensity of the electric signals is uninterrupted or analogue at the sound or light source. In France, the analogue television signal was switched off on 30 November 2011 to give way to terrestrial broadcasting exclusively in digital mode.

ARPP : *Autorité de Régulation Professionnelle de la Publicité* (Professional Advertising Regulatory Authority). Body whose purpose in France is to take all measures necessary to promote honest, truthful and balanced advertising, reconciling the freedom of expression of professionals with respect for consumers.

Audience share: audience percentage for a medium (TV channel, radio station) or for a variety of media (aggregates, coupling), calculated in relation to the overall audience for the medium or subset.

Brand content: editorial content of any kind created directly by a brand.

Catch-up TV (or replay TV): Way of consuming TV through which a programme is viewed on demand after it has been broadcast.

CNC: *Centre National du Cinéma et de l'Image Animée*. French public institution that oversees, under the authority of the Minister responsible for Culture, consistency in the creation and implementation of government policy in the areas of film and the other arts and industries involving the moving image, in particular those in the audiovisual, video and multimedia fields, including video games.

Connected television: Television connected either directly or indirectly to the Internet in order to provide a number of services to viewers.

CSA: *Conseil Supérieur de l'Audiovisuel*. Independent administrative authority whose role is to ensure the freedom of audiovisual communication in France. Its responsibilities specifically involve the protection of minors, respect for political pluralism, the allocation of frequencies to operators, the defence of French culture, and the rigorous processing of information.

Cumulative audience: Radio and television audience indicator. It refers to the number or percentage of people who have had at least one contact with the media in question during the period (time slot, day, week, etc.), irrespective of the duration.

Display: Internet advertising with the purchase of spaces and the insertion of either graphic or visual elements.

DTT: *Digital Terrestrial Television*. Mode of broadcasting television which enables digital signals to be transmitted over the air. These digital signals are ordered in a single flow (multiplex), before being transmitted, i.e. transported to the viewer via electromagnetic waves.

GRP: *Gross Rating Point*. Indicator of the pressure exerted by an advertising campaign on a specific target. The GRP is equal to the average number of contacts made with its target, expressed as penetration points. It is calculated by multiplying the coverage of the target by the average repetition.

HD: *High Definition*. A digital picture format with definition higher than 720 lines x 1280 pixels. The resolution of a FULL HD image can reach 1,080 lines x 1,920 pixels. Terrestrial: A data transmission system using electromagnetic waves of a frequency below 3,000 GHz.

Interactivity: mode of dialogue between the user of an information system and the device, via the screen. It can refer to a television programme or a website that requires the participation of viewers or Internet users.

IPTV: Mode used for broadcasting television signals using Internet protocol (access to television channels and their related services via a telecoms operator box).

ISP: *Internet Service Provider.* Company proposing an internet connection service, through IPTV networks, cable or fibre optic.

IVT: *Individual Viewing Time.* Audience indicator measuring the average time during which the members of a given population watch television during the course of one day.

LTL: *Listening Time per Listener.* Radio audience indicator measuring the average time spent per listener, listening to a radio programme, station or medium, within one time slot or throughout the whole day.

MCN: *Multi-Channel Network.* Aggregator of content and influencers specialised in the management, promotion and monetisation of digital content and talents on major online platforms such as YouTube.

Millenials: Name given to 15-34 year olds, a hyper-connected generation markedly different from previous generations in terms of their financial, technological and social make-up.

MPEG: *Motion Picture Expert Group.* A process used to code audiovisual signals in a more or less compressed format. The figure (2 for MPEG 2, 4 for MPEG 4) indicates the degree of compression of the signal – the higher the number the greater the compression. Multiplex: Digital datastream allowing several programmes and services to be transmitted over a single television channel (or frequency). Terrestrial digital thereby authorises the broadcast of five or six audiovisual programmes over the same frequency, where in analogue it would only have been one.

Multiplex operator: Company responsible for ensuring the technical procedures necessary for the transmission and broadcast of programmes are carried out.

OTT: *Over the top* (alternative service). Mode for distributing audiovisual content online without the involvement of a traditional network operator.

Prime Time: Timeslot corresponding to late evening (usually from 9pm), when the audience is at its highest. This is the part of the viewing schedule that is most popular amongst advertisers. Access Prime Time is between 6pm and 8pm.

Sponsorship: involves an advertiser linking their brand to a programme in order to enjoy visibility and potential image related effects in line with the nature of the programme.

SRD: *Service de Règlement Différé* (Deferred Settlement Service). Being eligible for SRD allows the payment or delivery of certain securities at the end of the trading month. It is therefore possible to buy or short sell a security while deferring its payment and profiting from leverage on both upward and downward price movements. Securities eligible for SRD primarily comprise shares with a volume of capital traded daily of at least €1 million and those whose market capitalisation is a minimum of €1 billion.

Stock programmes: Television programmes that retain their value regardless of the number of times they are broadcast. They can be kept and reused over the long-term (dramas, documentaries, animated films, live performances, etc.).

Throwaway programmes: Television programmes that lose all their value once broadcast (news broadcasts, sporting events, on-set programmes, etc.).

Unique visitors: counts the number of individuals who have visited a website or used an application once during a given period.

VOD: *Video On Demand.* Paid service allowing the viewing of a chosen programme at any time. Subscription-based VOD is called SVOD (Subscription Video On Demand).

WRP<50: Advertising target group comprised of Women under 50 years old, Responsible for Purchases.

MÉTROPOLE TÉLÉVISION

French public limited company (Société Anonyme) with an Executive Board and a Supervisory Board
with share capital of €50,565,699.20
89, Avenue Charles de Gaulle
92200 Neuilly-sur-Seine, France
Tel: +33 1 41 92 66 66
Fax: +33 1 41 92 66 10

Website: www.groupem6.fr

339 012 452 RCS Nanterre
Siret: 339 012 452 00084
APE: 6020 A

Photo credits

Nicolas Gouhier / William Beaucardet / Nicolas Gouhier
Nathalie Demontès / Pierre Olivier / Lou Breton
Thomas Padilla / Etienne Jeanneret



LET'S CONTINUE TO GROW UP TOGETHER

MÉTROPOLE TÉLÉVISION

89 AVENUE CHARLES DE GAULLE - 92200 NEUILLY-SUR-SEINE - FRANCE

☎ +33 (0)1 41 92 66 66 - www.groupem6.fr